

THE TRUTH ABOUT THE AUSTRALIAN LEAGUE OF RIGHTS

A. Phillip Adam's
Invitation Accepted



THE TRUTH



ABOUT THE
AUSTRALIAN
LEAGUE
OF RIGHTS

By Eric D. Butler

Heritage Publications

MELBOURNE. C.1.

19th November, 1940.

V43270,
L/ Sergeant Eric D. Butler,
A. Section,
34th Aust. A.A. Bty,
Torres Strait Command, Aust.

Dear Eric,

Your letter and enclosure came to hand some little time ago and I have perused all of this with much interest.

I can appreciate your feelings about all the high pressure campaign to get people to lend their money to the Government. I agree, it is a colossal waste of human effort and unnecessary. Several attempts have been made to induce me to take part in the campaign but I won't touch it.

With regard to the quotation from Barnes of Bundaberg, letter to Curtin, I have to state that although I met Mr. Barnes, who appointed himself as my advisor at that time I was not influenced in any way by him or any one else in the matter of my vote. ~~My mind was made up all the time.~~

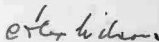
I choosed to vote for Labor because I felt that whatever their shortcomings, they must do better than the Fadden crowd. There was no bargaining for my vote by Curtin or any Labor Member. Of course, I was approached quietly and hopes expressed that I would support Labor, but definitely no agreement of any sort was asked for or given. I could not say as much for the other side.

I know nothing of any amended A.L.P. monetary platform. I supported the Labor Party in the hope and expectation that they would implement the ideas and those points of their platform on banking and money questions, as frequently expressed by Mr. Curtin and other leading Members. To say that I am disappointed is putting it mildly, but what is my alternative, to apply pressure by threatening to vote against them would merely hasten a formation of a Composite Government. The whole situation from our point of view appears pretty hopeless.

I should be glad indeed to have your views on the subject generally; do not make it too long a letter as I am very fully occupied. I would like to sound a note of warning regarding the placing of too much reliance on statements made by Mr. Frank Barnes; confidentially I am not greatly impressed with his sincerity.

Kind regards and good luck,

Your faithfully,



(Alex Wilson)

In the above letter to the author Mr Alex Wilson re-iterated what he had told him personally: why he had decided to bring the Curtin Government and to dismiss the claim by a Queensland State Independent Member, Mr Frank ("Bombshell" Barnes) that he had persuaded him to vote for Curtin.

CONTENTS

THE TRUTH ABOUT THE AUSTRALIAN LEAGUE OF RIGHTS

**A. Phillip Adam's
Invitation Accepted**

By Eric D. Butler

Published by
Heritage Publications,
145 Russell Street,
MELBOURNE. VIC. 3000

Copyright © Eric B. Butler 1985

Printed and Published by
Heritage Publications,
145 Russell Street,
Melbourne. Vic 3000.

In association with:

Intellegence Publications,
P.O. Box 130
Flesherton, ONTARIO. CANADA

Conservative Publications,
G.P.O. BOX 3447,
Auckland. NEW ZEALAND.

All rights reserved. No part of this book
may be reproduced in any form or by any
means without the permission of the
copyright-holder, excepting brief quotes
used in connection with reviews written
specially for inclusion in a magazine of
newspaper.

CONTENTS

1	Setting the Stage	1
2	Background of "The New Times"	7
3.	Social Credit Background	14
4.	Two Years of a Rising Tide	21
5.	Two Hundred-Fifty Meetings	29
6.	Full-Time Military Service	35
7.	K.D. Gott and the Reed Inquiry	42
8.	Dr. Evatt and Social Credit	49
9	The Threat of War-time Internment	52
10	The Australia First Case	57
11	The On-Going Smear	70
12	Country Party Lured Into Political Booby Trap	78
13	DLP Journal Joins the Smear Campaign	88
14	The "Anti-Semitic" Smear	91
15	Zionist-Nazi Collaboration	99
16	The Future of The League	107

1

Setting the Stage

On November 1, 1984, Dr Ken Coghill, Parliamentary Secretary of the Victorian Labor Party Cabinet, launched an attack on what he described as "Australia's most subversive political organisation," The Australian League of Rights. This was an extension of a previous parliamentary attack, made on April 5 of the same year. Dr. Coghill claimed that since his first attack "even more damning evidence of the League's role in subverting Australia's national security has now come to light. During the second World War the leadership of the League was in concert with Australia's enemies in Germany and Japan. Eric Butler's role in undermining Australia's war effort is confirmed in two sets of documents."

As the first League of Rights was formed in 1946, in South Australia, it is elementary that the League could not have been engaged in undermining the nation's security during the Second World War. Dr. Coghill was not, of course, concerned with historical accuracy, but was using parliamentary privilege to engage in character assassination for political purposes. When the media rang me to ask for my comments on Dr. Coghill's charge that I had in some way been collaborating with the Germans and Japanese during the Second World War, I suggested that Dr Coghill might care to repeat his allegations outside parliament. He never did. Immediately after hearing Dr. Coghill's allegation, representatives

of the media descended upon Mr Bruce Ruxton, President of the Victorian Branch of the Returned Servicemens' League, and suggested that in view of Dr. Coghill's serious allegations that, in essence, I had been a wartime traitor, Mr Ruxton should denounce me and refuse to appear on League of Rights platforms. Mr Ruxton was completely unaware of my wartime activities, but knowing that I had served in the second A.I.F., made the commonsense suggestion that if what Dr. Coghill was alleging was true, I would have been court marshalled.

I served as a Gun Sergeant for 20 months without leave in the The Torres Straits, was later brought back to the mainland to service for six months on the instructional staff at the Canungr Jungle Training School in Southern Queensland, and from there was transferred to the Officers' Training School at Seymour, Victoria.

I received an honourable discharge from the Second A.I.F. at the end of the Pacific phase of the Second World War.

But Dr. Coghill and others were not too concerned about the truth.

The Coghill character assassination attack was obviously associated with the coming 1984 Federal Elections, held on December 1, as witnessed by the allegation that the League of Rights was infiltrating the Liberal and National parties, and that these parties were being influenced by the League on issues like Aboriginal land rights. A nationally orchestrated smear campaign was spearheaded by Mr Phillip Adams, well-known writer. In a New Zealand radio interview with Jessica Wadell in February, 1985, Mr Adams discussed his attacks on me in *The Bulletin*, *The Australian*, and elsewhere. Mr Adams said I was "the most dangerous man in Australia" and that he was determined to destroy me.

Having been smeared for most of my public life, I find little new in what Mr Adams claims to be about. It was during the Second World War that the *Communist Review* of March, 1943, was demanding that "Butler must be exposed and fought. It is the duty of the Labor movement to see that he meets the fate due to

enemies of the people, at the very least, internment." As we will see, the Communists came close to achieving their demand during the Second World War. A former Communist himself, Mr Adams appears to believe that he can succeed where others have failed.

Immediately following Dr Coghill's cowardly attack, Mr Phillip Adams made his contribution to the growing smear campaign. Mr Adams has a flair with words and wields a destructive pen in a manner which reminds one of Voltaire, one of the demolition men who helped pave the way for the bloody French revolution. Mr Adams has no time for Christianity, as witnessed by the type of vitriolic language he uses when criticising Christians and their faith. Mr Adams is a former Communist turned millionaire, making his fortune in the field of advertising and associated activities.

I had been the target for Mr Adam's poison pen on a number of occasions, but in *The Weekend Australian* of November 3-4, 1984, Mr Adams reached a new low in gutter journalism. Mr Bruce Ruxton, Victorian President of the RSL, Professor Geoff Blainey, well-known historian, Mr John Bennett, "the erstwhile civil libertarian who's determined to protect those nice Nazis from slanderous attacks by Jews," were described as "the four horsemen of the Rights' apocalypse." But I was "the daddy of them all", "who barnstorms Australia's backblocks trying to create a type of Black Stump fascism from the rural vote."

Mr Adams bluntly asserted that I "had opposed the (Second World) war effort." It would be easy to describe Adams as an unmitigated liar and leave the matter there. But that would be too simple. What is required is a look at what took place before and during the Second World War, not for the benefit of Mr Adams or his fellow smearers, who are not interested in civilised debate, but to outline an important aspect of Australian history which is generally unknown.

Mr Adams quotes what he regards as his most damning piece of evidence to support his charge that I was some type of traitor, a letter dated July 1, 1940 from the then Mr John McEwan, Country Party Member for Indi, Victoria. The letter was addressed

to the Hon. W.M. Hughes, at that time Federal Attorney-General and read as follows:

"During the past few weeks I have had many complaints from residents of my electorate concerning speeches alleged to have been made by Mr Eric Butler.

"Some of Mr Butler's utterances have been described as disloyal, detrimental to recruiting and calculated to cause disaffection.

"I understand the matter is already under consideration by your department and I am informed that the Commonwealth Investigation Branch referred it to the Crown Solicitor for opinion some time ago.

"I would appreciate if you could inform me of the present position and whether any action is intended against Butler."

Mr McEwan did not say how many complaints he had received — two or twenty?

As a parliamentary representative John McEwan did not in fact lodge a complaint; he passed on complaints from certain unnamed electors of Indi. It would have been surprising if McEwan had complained personally about what I was saying and advocating. I had just become interested in Social Credit when John McEwan contested the Indi electorate at the 1934 elections. John McEwan expressed keen interest in monetary reform and was well known to the strong Social credit group in Wangaratta. An enthusiastic teenager, I pushed my bike many long miles campaigning for John McEwan in 1934.

It was during the latter part of 1934 Federal Elections that Prime Minister Joe Lyons, feeling the tremendous influence of pro-Social credit oriented Tasmanian State Labor Government, made a sudden announcement that if re-elected he would immediately establish a Royal Commission to investigate the banking system if desired by Parliament. Reading this announcement in North Queensland, Government Member Hunter gave notice that he would move a private Member's Bill for the Commission to be established. Hunter was promoted to the Federal Cabinet two weeks later and subsequently was absent from parliament when

called upon to present his motion!

On December 7, 1934, it was John McEwan who moved that "in the opinion of the House, it is desirable to appoint a royal commission to publicly inquire into the operation of the Australian banking and monetary system. . . ." While John McEwan's interest in financial reform declined with his subsequent political promotion, there is no evidence whatever to suggest that he felt that those, including supporters of the Country Party, advocating financial reform during the early days of the Second World War were in any way subversive. The last time I spoke to John McEwan was in England during the Common Market battle.

Mr Adams slyly suggested that anyone who found himself at one of my meetings, "when Mr Butler is claiming to speak for Queen and country . . . might ask him about that letter . . . What became of that Commonwealth investigation? What was, finally, the Crown Solicitor's opinion? It would be fascinating to hear Butler's answers."

Yes, indeed: Absolutely nothing! Investigators attending my meetings of the period could be seen starting to take notes, then putting their notebooks down and listening with the same rapt attention of others attending those meetings. One was heard to say, "What bloody nonsense to be reporting a man who is calling for a greater war effort."

Several of those who made complaints were victims of hysteria, while others had political motives. Ironically, some complaints came from Communist sympathisers at a time when the official Communist policy was to sabotage the war effort. We will come back later to what I and others were really saying and advocating during the period referred to by Mr Adams.

But before doing this some comment is necessary concerning another example of Adams' smearing. Mr Adams wrote that "when war broke out between Australia and Japan in 1941 the Japanese failed to destroy the files of the Consulate-General in Sydney. These files fell into Australian hands and a preliminary survey conducted by the Attorney-General's Department in 1946 revealed that the Japanese had supported Butler's magazine, *The*

New Times.

“So far we’ve been unable to find out what the precise mechanism of Japanese support was — but bulk purchase of copies, advertising at inflated rates and direct subsidy are among the possibilities. Perhaps Mr Butler could spare time from his anti-Asian and Aboriginal diatribes to recall the circumstances.”

I must thank Mr Phillip Adams for his invitation to do some recollecting. He has encouraged me to deal with an aspect of Australian history which has not previously been adequately assessed.

As I will show, the Social Credit movement in which I was a major figure just prior to and during the early days of the Second World War played a vital role in bringing the Curtin Labor Government to office late in 1941.

2

Background of "The New Times"

The New Times was launched in May, 1935, by a group of prominent Melbourne business and professional men, and edited by Mr Tom Moore, who left the editorship of the Melbourne Roman Catholic weekly, *The Tribune*, to take over the responsibilities of the new journal. Moore had become a convert to Social Credit during the Great Depression and started writing articles on monetary reform in *The Tribune*. There was a big increase in the circulation of this paper, non-Catholics joining the ranks of its readers.

Although I was an early subscriber to *The New Times*, it was not until 1937 that I left passionfruit growing in the North-East of Victoria and first met Tom Moore. Moore was an amiable big red-headed man of Irish background. He had studied for the priesthood. His articles in *The Tribune*, a few of which I read later, were written in the rugged style for which Moore was noted. Moore's version of the beginning of *The New Times* was that Archbishop Mannix requested him to tone down his attacks on the banks, as representatives of the banks were objecting to his type of writing. Rather than continue Moore left a secure position to throw himself behind a paper in which he could write as he pleased. Archbishop Mannix was a paid subscriber to *The New Times* right up until near the time of his death.

The main financial backing for the new weekly was provided

by Mr David Robertson of the well-known confectionary firm, MacPherson Robertson. When David Robertson suddenly became seriously ill, a public company was formed and readers invited to provide capital by buying shares. I only met David Robertson once, at his Melbourne Club after the Second World War, when he said he had been trying to get the Labor Party to adopt a Social Credit financial policy which many Labor members had once supported. But he found that no one was really interested.

Up until the time of his death, early in 1938 at the age of 43, Tom Moore was editor of *The New Times*. My first article, SLAVERY IN GIPPSLAND, did not appear in *the New Times* until January 19, 1938, an article in which I described conditions in the dairying industry in Gippsland, Victoria, following a working holiday on a dairy farm over the holiday period. I was encouraged to write articles by the new Editor, Mr H.F. Allsop, but my main interest was lecturing and organising. I was in no way responsible for the editorial policy of *The New Times* until long after the Second World War. My signed articles can be read without discovering any of the pro-Japanese or pro-Nazi sentiments which the smearers mention. Whatever the Japanese may have been doing in Australia, they could not have been supporting "Butler's. . . . *New Times*" because there was no such paper!

But what about the pre-Second World War Japanese interest in *The New Times*?

It is generally unknown today that during the First World War the Japanese were scrupulous in upholding the terms of the Anglo-Japanese naval Treaty, making it possible for the British to practically neglect the Far East. The Japanese naval presence in the Far East helped to ensure the relative safety of ship movements to and from Australia. British interests in the Far East were safeguarded. British naval strategists were dismayed when, under pressure from Washington, the British Government unilaterally abrogated the Anglo-Japanese Treaty in 1922. As far as the Japanese were concerned, this was a major "loss of face" which

left an indelible impression in Japan.

Abrogation of the treaty with Japan was beyond doubt one of the greatest strategic disasters in British history. It made it certain that at any time the British were embarrassed elsewhere, their position would be complicated by an enemy created in the very area in which they were the weakest. When in a desperate attempt to save their own spinning industries during the Great Depression, the British encouraged Australia and other Empire countries to boycott Japanese textile exports, this helped to ensure that the fuse lit in 1922 eventually exploded into the Pacific War, ending with a shattering blow to British prestige right throughout Asia.

The Japanese were so successful with their export subsidisation policy that they could even import raw material from a country like India and then export manufactured goods back to India cheaper than they could be produced locally with relatively low wage costs. Charges that Japan was using cheap sweated labor to enable it to export goods at such a low price were investigated by the International Labor Organisation and found to be without foundation. Japan was making finance subservient to national objectives.

The author of Social Credit, C. H. Douglas had attended an international engineering conference in Tokyo in 1929, delivering a paper, *The Application of Engineering Methods to Finance*. Some of Douglas' works were subsequently translated into Japanese. There developed a considerable interest in financial reform in Japan and the representatives of the Japanese Government of the period subscribed to Social Credit journals like *The New Times*. In more recent times the Soviet Ambassador at Canberra has subscribed to the *New Times* quarterly Supplement, *Enterprise*. Perhaps Mr Adams could now produce a theory that the Soviet Union is subsidising The League of Rights, now responsible for *The New Times*.'

As Mrs Adams appears to be a little weak on history, may I point out that few serious historians would today dispute that it was the policy of the Roosevelt Administration, including an economic blockade, which finally forced the moderate Japanese

Prime Minister, Prince Konoye, to resign on October 16, 1941 with General Tojo of the war party taking his place. *The New Times*, under T.J. Moore, had argued against the folly of increasing tariffs against Japanese exports at a time when Japanese buying of wool was helping the desperate Australian woolgrowers. An examination of the pre-Second World War files of *The New Times* shows that it consistently warned that a Western economic blockade of Japan would topple the moderate pro-Western leaders in favour of those who favoured exploiting any war in Europe to build a great Asiatic Empire under Japanese domination, with access to the raw materials Japan lacked.

In a desperate attempt to avoid war; Prince Konoye made an unprecedented suggestion for a Japanese political leader: he was prepared to travel to meet Roosevelt on American soil. The experienced American Ambassador in Japan, Joseph C. Grew, strongly recommended the proposed Konoye-Roosevelt meeting, warning that if the Konoye offer was rejected, "The logical outcome of this will be the downfall of the Konoye Cabinet and the formation of a military dictatorship which will lack either the disposition or the temperament to avoid colliding head-on with the United States." (vide *My Ten Years in Japan*, by Joseph Grew, Simon and Schuster, New York 1942.)

Events tragically confirmed Ambassador Grew's warning and that of *The New Times*.

It is thought-provoking that a Phillip Adams can be smearing those who sought to deal with the basic Japanese question in the years before the Pacific War at the very time when it is generally regarded as an act of statesmanship to foster closer economic links with Japan. If at some time in the distant future, presumably all those now fostering closer economic links could be smeared by another Phillip Adams describing them as "traitors"! It is hard to believe that Phillip Adams and others can really believe their own nonsense. The only conclusion is that they are conscious character assassins and must be judged accordingly.

If Mr Phillip Adams had done a little genuine research he would have discovered that during 1936, Mr T.J. Moore wrote a

series of articles concerning trade relations between Australia and Japan. Moore was extremely critical, as were many others, of Australia's tariff policy against Japan, stressing that this would affect Australian wool prices. Moore also warned, prophetically, that a trade war with Japan could threaten peace in the Pacific.

In an article on July 12, 1936, Moore publicised how Japan was challenging orthodox financial policies by using her national credit to heavily subsidise the exports essential to buy raw materials. On September 15, 1938, Moore published a reply to Prime Minister Lyons by the Japanese Chamber of Commerce in Sydney because the Japanese statement had been given relatively little publicity in the Australian press. I recall Moore saying that from time to time the Japanese Chamber of Commerce had bought extra copies of issues of *The New Times* dealing with Japanese trade. There was nothing unusual about this. Normal diplomatic relations existed between Australia and Japan at the time.

Under the heading, THE TRADE WAR, *The New Times* of September 4, 1936, reported a statement by the President of the Osaka Chamber of Commerce on the implications of Australian tariffs on Japanese exports. The chairman of the Japanese Federation of Silk, Rayon and Textile Exports was also quoted: "Australia's step against Japan is absolutely unreasonable. It was a move inspired by Britain for the relief of Manchester. We must be prepared for similar action by India, Canada, Egypt, South Africa and other countries under British influence."

The New Times commented: "The above expressions are frank recognition by Japanese leaders that a great trade war is on.

"The inevitable outcome of such a trade war is a military war. The people of Australia do not want either a military war or a trade war. Neither do the people of Britain.

"Then, who does?

"Ask Montague Norman and his pack of international financiers. These are the World's enemies."

In warning of the dangers inherent in a policy of discriminating against the Japanese, Moore was in good company. The Southampton Chamber of Commerce, which early in the

Great Depression came out in favour of a change in the policy of debt finance, warned about the serious consequences of trying to curtail Japanese textile exports by high tariffs.

The New Times of October 9, 1936, carried a reprint of an editorial of August 29 from *The Economist*, England, which said: "High tariffs and protectionist policies, indeed, are doing more to restrict trade and the world's standard of living than any increase in trade which would follow the relaxation of discriminatory measures against the Japanese, whose right to live and do business is at least as fundamental as that of the Australians and the British."

The Japanese were naturally interested in any material opposing higher tariffs against their exports.

Not only did the Japanese Chamber of Commerce buy supplies of issues of *The New Times* but the Australian Labor Party did likewise! Tom Moore told me that the biggest single sale was for the October 1, 1937 special election issue carrying the front page headline, "WHY YOU SHOULD PUT LYONS OUT", with the sub-heading, "Full Record of Ministry's Dismal Failures." In his editorial Moore said that Labor was "less noxious" and that "Labor in general now recognises the urgency of financial reform. . ."

While the representatives of the Japanese Government never at any time inserted advertisements in *The New Times* the Labor Party did! *The New Times* of October 15, 1937, carried a large advertisement headed "FEDERAL LABOR LEADER JOHN CURTIN SAYS". The advertisement urged Victorians to vote for the ALP Senate team. Presumably *The New Times* was also engaged in some type of a conspiracy with the Australian Labor Party!

When Mr Phillip Adams can spare a little time, he might care to explain why the Labor Party was buying copies of a pro-Japanese, pro-Nazi newspaper! And even advertising in it!

It is a matter of history that the Japanese delegates to the World Economic Conference held in London in 1933, at the height of the Great Depression, suddenly returned home before the

conference after having been introduced to Social Credit literature, and that the Japanese Government subsequently introduced an inverted form of one aspect of Social Credit by using national credit to heavily subsidise Japanese exports.

Social Credit Background

The nation-wide interest in monetary reform which swept Australia in the thirties with many members of the Labor Party at least paying lip service to the necessity for a much greater use of the national credit, had reached the stage by 1940 that it was a major factor in bringing the UAP Government to near defeat at the Federal Elections of that year. In some electorates, such as the Riverina, N.S.W., the grass-roots monetary reform movement was the major factor in having A.L.P. Members elected. Apart from the big vote for *New Times* supporter and ALP candidate, J. Langtry, Independent money reform candidate John Hogan recorded such a big vote that at one stage he looked as if he could win the seat.

Prominent in the nation-wide Social Credit movement were returned servicemen from the First World War, or members of returned servicemens' families. One of the most influential of the Social Crediters of that period was the late C. Barclay-Smith, who had suffered badly in the trench warfare in France during the First World War. Barclay-Smith was at one time editor of *Queensland Country Life*, later starting *The New Era*, a magazine-style Social Credit weekly which reached a circulation of over 30,000 a week. A prolific and lucid writer, Barclay-Smith's war-time booklets, such as *Victoria Without Debt*, sold in thousands. Those involved in this movement would be incensed by any suggestion that their

were other than genuinely patriotic.

Social Credit was progressively having a big impact on the supporters of all political parties. Perhaps the biggest impact was on the Tasmanian Labor Party, which, following the election of a Social Creditor, the Rev. G. S. Carruthers, to the State Parliament, readily agreed to the establishment late in 1934 of a Select Committee to investigate the monetary system. The report of the Select Committee was published late in 1935 and found in essence that the present economic system could only be sustained by a progressive expansion of financial debt. The Select Committee endorsed the Social Credit viewpoint.

Speaking at a London dinner on July 22, 1934, in honour of the author of Social Credit, C.H. Douglas, who had recently returned after his world tour, Premier Ogilvie of Tasmania expressed complete support for Social Credit. Mr Ogilvie had during a European tour met all the principal political leaders and bankers, but had found that none had a solution to the world's problems. Ogilvie said that he was the first Empire Premier to attend a Social Credit dinner and that he felt lost in the presence of a genius like Douglas. Ogilvie said it was useless for Australians to waste their time with Arbitration Courts, wage agreements and associated matters because the vital question was financial policy.

Premier Ogilvie said he felt he could speak "on behalf of half the people of Australia. For many years Labor has desired to nationalise the banks." "I am one who realises the futility of nationalisation, and the last Labor convention induced the party to abolish its banking plan and substitute one demanding community control of credit," he said.

Upon his return to Australia Premier Ogilvie spoke out publicly on the subject of Social Credit, continuing to do so until his untimely death.

Commenting on the Social Credit vote at the 1934 Federal Elections, Sir Stanley Argyle, Victorian Premier, said that the number was "amazing", observing that while there was little support in the industrial electorates, "many people in what are considered to be highly intellectual electorates have accorded

representatives of this (Social Credit) scheme astonishing support."

Perhaps the "most astonishing support" of all was accorded to the Social Credit candidate, consulting engineer Mr L.H. Hollins, who polled 12,000 votes in Kooyong against Robert Gordon Menzies. Hollins polled heavily again at the 1937 Federal Elections and, reflecting the continuing increase in public support for financial reform, won the Hawthorn State electorate, a subdivision of Kooyong, as an Independent at the 1940 Victorian State Elections. This event caused consternation in orthodox financial circles. An ex-serviceman, Mr Les Hollins used his parliamentary position to severely criticise financial policy, charging that it was one of the basic causes of lack of recruiting, on one occasion stressing that rates of pay for servicemen were no greater than during the First World War. Les Hollins described "debt finance" as "high treason", which was basically what I was saying. Presumably ex-serviceman Les Hollins, M.L.A., was, according to Adams and associates, also "subversive"! I was one of those who campaigned for Les Hollins during his 1940 State Election campaign, along with other *New Times* supporters.

C.H. Douglas' visit to Australia early in 1934 had given a tremendous fillip to the growing interest in Social Credit and the subject of monetary reform. Across the Tasman in New Zealand, a Labor Party led by former Victorian, Michael Savage, won the 1935 elections following an agreement with representatives of the Social Credit movement to implement a Social Credit financial policy. This result had a big impact among Labor Party supporters in Australia. There was increasing talk of the necessity to adopt a national credit reform policy. One of those talking along these lines was a man called John Curtin, an early subscriber to Social Credit literature.

Among the many Federal Labor Members who supported *The New Times* was Mr E.J. Holloway, Member for Melbourne Ports. In a letter to *The New Times* of April 16, 1937, Mr Holloway wrote:

"... May I pay my tribute to those responsible for the

publication of *The New Times*, for its splendid work of helping to draw aside the veil of almost supernatural mystery and trickery with which the usurers of the world have for so long hypnotised the unthinking people with their imaginary science."

Mr Holloway was later to chair one meeting for me and also to share several platforms. He apparently could not detect any of that "pro-Nazim" which my smearers started to discover many years later.

Another Labor Party supporter was Dr J. Maloney (the "little Doc"). Dr Maloney was one of the earliest subscribers to *The New Times* and strongly supported the Social Credit policy of a social or national dividend. Dr Maloney tried in vain to persuade the Labor Party to adopt the Swiss constitutional system, which provides for the initiative referendum and recall.

Another strong supporter of *The New Times* was Mr King O'Malley, often described as "the Father of the Commonwealth Bank." O'Malley was a most colourful character, but he did assure me on one occasion that the story about him taking two pistols to a Fisher Cabinet meeting to make a point concerning his demand for the establishment of the Bank, was slightly exaggerated!

The grass-roots monetary reform movement played a decisive part in leaving the major parties evenly divided after the 1940 Federal Election with the balance of power held by two Independents, Mr Alex Wilson, Independent Country Party Member for the Mallee, Victoria, and Mr Arthur Coles of Melbourne. Wilson was a staunch supporter of *The New Times* and its policies. He was the man who played the decisive role in bringing the Curtin Government to office late in 1941. He was influenced by the expanding grass-roots monetary reform movement, in which I was playing a prominent role, by the failure of the non-Labor Parties to adjust financial policy to make possible a maximum war effort, and by the election of a number of Labor Members sympathetic to *The New Times*.

Early in 1940 Alex Wilson addressed a number of big public

meetings in Victorian Provincial cities, stressing the extreme urgency of organising public pressure for monetary reform. *The New Times* of March, 1, 1940, quoted Wilson as saying, "If we finance this war as we financed the last, we will lose all that we are fighting for in the process, and be utterly unable to fulfill our promises to those who return from the fighting fronts."

Alex Wilson paid a tribute to all those who had been campaigning on financial policy for years. "They have endured hostility and ridicule, but now they are coming into their own," he said.

Later in the year the Victorian Country Party annual State Conference carried resolutions calling for financial reform and adequate financial credit for a maximum war effort. The large number of First World War ex-servicemen present at that conference would have been astounded if told that some forty years later their call for financial reforms would be described as "subversive" by a Mr Phillip Adams! Like Mr Alex Wilson, many members of the Victorian Country Party were *New Times* subscribers.

In the intense campaigning in which I was engaged in during 1940 and 1941, endeavours which according to my smearers was sabotaging the war effort, I was helping, unconsciously, to prepare the way for the coming of the Curtin Government. While the upsurge of criticism of the financing of the war was nation-wide, it was developments in Victoria, Southern N.S.W. and Tasmania which were making the biggest impact on Alex Wilson, who became increasingly uneasy about the financial policies of the government. On several occasions he told me and others that he could not go on indefinitely supporting the government. Weeks before the end came I knew that the Curtin Government was about to come to office.

The last time I spoke to Alex Wilson was one evening in Bourke Street, Melbourne, late in September, 1941, outside Dunklings, where I had just bought the engagement ring for my wife-to-be. After extending congratulations, Alex Wilson said he had reached the stage where he was convinced that the government

had to go. He said that his fellow Independent, Mr Arthur Coles, was reaching the same conclusion. We briefly discussed the national situation, with Wilson expressing the view that he felt that there was a much greater prospect of some type of monetary reform under a Curtin Government. He stressed that we had a number of sympathisers among Members of the Labor Party. Senator Darcy from Tasmania was a keen Social Crediter and a number of others were readers of *The New Times*. Labor leader John Curtin had on many occasions made it clear that he understood the creation of financial credit issue. It was natural that Wilson felt as he did. But I could not share Alex Wilson's optimism, stating that in spite of his expressed sympathy with features of Social Credit, it was extremely unlikely that Curtin would break with financial orthodoxy unless a strong non-party pressure movement was maintained.

Alex Wilson agreed about the necessity to maintain a grass-roots pressure movement and was kind enough to say I was playing a major role in creating the type of public opinion required. Presumably the Independent Alex Wilson, whose vital vote helped to bring the first Curtin Government to office, late in 1941, was also a subversive, encouraging me as a fellow subversive to oppose the war effort!

It was on October 7, 1941, that Alex Wilson and Arthur Coles cast the fateful votes which brought John Curtin to office. There are many myths about John Curtin and the Labor Government, which allegedly saved Australia in its darkest days. The best that can be said is that there was some prospect of reasonable national unity under Curtin but little under the badly divided Opposition parties. Alex Wilson later said that he was disappointed by the failure of the Curtin Government to implement its own stated banking policy.

Much as I admired the integrity of Alex Wilson, I felt that his judgement was sometimes astray, as witnessed by the fact that he later showed sympathy for Dr Evatt's theme that financial reform for post-war reconstruction would be impossible without constitutional reform. In a conversation with Mr Bruce H. Brown,

at that time Deputy Commissioner for Mails in Melbourne, and a regular contributor to *The New Times*, Wilson said that Dr Evatt was concerned about the opposition he was getting to his proposals from the Social Credit Movement. Alex Wilson agreed with Bruce Brown's assessment, based on his own experiences throughout much of Australia, that the Social Credit and associated movements were directly influencing at least 25 per cent of the electors.

Dr Evatt decided he had to do something about this.

Two Years of a Rising Tide

One of the major charges directed against me, with Mr Phillip Adams merely re-hashing what others have said or implied before him, is that during the early days of the Second World War I was heading a national campaign which was opposing or sabotaging the war effort. The truth is that I was stressing that a maximum war effort was impossible, and that the peace could not be won, unless there was a major change in financial policy.

As even Mr Phillip Adams will, I hope, agree, we are all guilty of some indiscretions when we are young. There is an old saying that if one is not a Socialist when one is young, there is something wrong with one's heart, but if still a Socialist after forty, there is something wrong with one's head. Even if I had expressed some way-out views, or made some indiscreet remarks, when young, what possible relevance could that have to what I am doing and advocating today?

It is unfair to quote what some men said and did in the period preceding the Second World War, without referring to subsequent developments. Young Englishmen who had claimed they would not fight for King or Country were a few years later dying in their Spitfires and Hurricanes in the defence of their country. Men who deplored the thought of another war with Germany, and sought by all means to strive for peace, were among the first to volunteer for military service when the worst happened.

As the war clouds were darkening in 1939, there occurred in Queensland one of the least publicised dramas in Australian history, when a group of desperate Queensland farmers seized control of State Parliament House, and with the use of home-made batons from a Kingaroy furniture factory, forced a Labor Cabinet meeting to listen to their grievances. There were some quite hilarious aspects of this episode, including the use of barbed wire. It was masterminded by a prominent money reformer by the name of George Gray. Gray was later to criticise the method of financing the war effort, presumably another of Mr Phillip Adams' subversives. But George Gray later served with distinction as an infantry captain against the Japanese and after the war became the Federal Labor Member for Capricornia. Gray's attempts to influence the post Second World War Labor Party in monetary reform met with little or no response. The old-time Labor Party was even then on the way to being taken over by the new breed of Labor Members — the trendy lawyers and academics.

I once asked George Gray in Rockhampton why he had never been smeared because of his youthful pre-war escapade. He presumed that he was not seen as a real threat to anyone. Clearly I am seen as some type of a threat, even though I have never at any time attempted to seize control of any parliament buildings!

The late Sir Wilfrid Kent-Hughes was often taunted, generally by the Communist press, because of his article in *The Herald*, Melbourne, when as a Minister in the Victorian State Government, he described himself as "a fascist without a shirt." Kent-Hughes was merely expressing some admiration, as indeed did many others, including Winston Churchill, for the manner in which Mussolini was organising the Italians. In his *Great Contemporaries*, Churchill also praised Hitler for what he had done for the German people. Wilfrid Kent-Hughes' expressed admiration for the alleged efficiency of Mussolini's railway system, but not his philosophy, did not prevent him from serving with great distinction during the Second World War. I enjoyed a close friendship with Sir Wilfrid Kent-Hughes, in spite of differences on several issues, and he was one of the very few politicians I have known for whom I

maintained a real respect.

In my case, the best that my detractors came up with are allegations that I was opposed to the war effort because I was critical of financial policy, and that I wrote and said some things which were similar to what Hitler was saying. I agree with what Marxists sometimes say, but this does not make me a Marxist sympathiser. The fundamental difference between people is their philosophy. It is ironic that many of those who become shrill in their verbal criticism of Nazism are strong supporters of the philosophy and policies of National Socialism, even though they use a different label.

Conflicts between different sects of the one religion can be extremely bitter. Hitler said there were many aspects of Marxism which he admired. Apart from immigration, I see very little difference between the economic programme of Hitler and that of the Hawke Government. Mr Hawke's Economic Summit, with representatives of Big Government, Big Business and Big Unions meeting and the establishment of a National Economic Council to advise the government, reminds one of the Fascist corporate State concept of Mussolini and his Fascist movement.

What then, was I about during the first two years of the war? I was promoting to the best of my ability a movement which was like a rising tide across the nation. Apart from those periods during which I was doing my National Service Training, I was spending every possible minute on a campaign which it is hard for a present generation to visualise. One can only give the highlights.

The Sun, Melbourne, of June 21, 1941, carried a report from The Sound Finance League complaining about the failure of the Commonwealth's "publicity campaign." . . . "the Government, states the League, could do worse than copy the technique of the Social Credit propagandists. In spite of the stupidity of their theories, they have made more impression on the financial views of the people of Australia. . . than the whole Commonwealth official publicity. . . "

I had many a clash with the representatives of the Sound Finance League. While we were packing halls, in both country and

city, night after night, often over 500 people turning out, the Sound Finance League was having the greatest difficulty in getting a hearing.

In one news release to the Victorian country press in 1941, *Sound Finance*, journal of the Sound Finance League said:

"Between May 18 and July 2, two leading Social Credit advocates will visit and hold meetings in over forty country centres in Victoria. One of them will then continue these activities in New South Wales. . . the credit expansion theories, perverse though they may be, are nevertheless very persuasively explained. The official view, on the contrary. . . has scarcely been explained at all. . . The most democratic, and probably the most effective way of dealing with the problem is to tell the true story by precisely the same means as the offenders tell the false."

The Second World War was just getting under way when Labor Senator Richard Darcy of Tasmania, an old friend, asked the following question in the Senate:

"Will the Minister representing the Prime Minister state whether, in view of the urgent necessity to ensure the adequate defence of Australia, and in view of the fact that the interest burden on the international debt absorbs a high proportion of the national revenue, the Prime Minister, to ensure that our people shall not inherit a legacy of war debts, will take immediate steps to instruct the Commonwealth Bank Board to make available to the Government whatever money is necessary to finance Australia's war effort, in accordance with the statement in the Report of the Royal Commission on the Monetary and Banking Systems, section 504 of which states: 'Because of this power, the Commonwealth Bank. . . can lend to the Governments or to others in a variety of ways, and it can even make money available to governments or to others free of any charge' If the Prime Minister will not take this step, will he state his reason for not doing so?"

Hansard No 17. September 8. 1939, records Senator McLeay

as replying "It has not been the policy of this Government to direct the Commonwealth Bank Board what to do." Which raised the legitimate question of who was really governing Australia. According to Mr Phillip Adams and his fellow smearers, all *those* who, like Eric Butler, were raising such questions, were some type of subversives.

Writing in Mr Jack Lang's paper *Century*, of July 20. 1940. Federal Labor Member Mr J.A. Beasley, later to become a Minister in the Curtin Government, said that "The deplorable position into which the wheat industry is drifting, together with the closing of markets for other primary products and the continually mounting costs of the war, are making it imperative for Australia to review her entire monetary policy."

Presumably Mr Beasley was also engaged in "undermining" the war effort!

Jack Lang himself was extremely critical of the Federal Government's financial policy.

The widespread interest in financial reform at the start of the Second World War was highlighted by a resolution moved in the South Australian parliament by Mr W. Macgillivray, an Independent. Mr Macgillivray moved "That an Address be presented to the Governor, praying his Excellency to transmit to his Excellency, the Governor-General the following resolution: 'That in the opinion of this House, the national credit of Australia be used in the interest of decency, the primary industries, and the general welfare of the people of Australia'." The resolution was carried by 17 votes to 13 and Mr Macgillivray was publicly commended by the State Governor.

Speaking to his resolution, Mr Macgillivray, a man proud of his British heritage, an ex-serviceman, was extremely critical of the destructive anti-British policies of the major international banking groups.

Mr Macgillivray said, "The ambition of a small gang of international financiers, whose names read like a census of the twelve tribes of Israel — Warburg, Schiff, Kahn, Baruch, Kuhn, Loeb, Goschen, Rothschild, Schroeder, Samuels (Lord Bearstead,

oil), Niemeyer, Hambro — to reduce the whole world under their domination by means of interest-bearing loans, only repayable in a medium of which they had a monopoly — that is to say, not repayable at all — should not commend itself to democratic Australians. We certainly should not allow ourselves to be used as their catspaws in international affairs.”

The resolution carried in the South Australian parliament the basis for similar resolutions carried right throughout Australia by Municipal Governments, business and professional organisations, and at public meetings.

On September 12, 1940, the following resolution was moved in the Queensland State Parliament by Mr Bedford, Labor Member for Warrago:

“That this Parliament resolves that, in view of the Commonwealth’s necessary commitments for the defence of Australia and the urgent need of money for all States development, the Commonwealth Government should reinstate the Commonwealth Bank in its original constitution as established by the Labour Government under Andrew Fisher, to administer the national credit to the national purpose.”

This resolution was carried by 35 votes to 11 on September 26.

A similar resolution was introduced into the Tasmanian State Parliament by Labor Premier Dwyer-Gray, another strong supporter of financial reform. This was also carried.

The following resolution was passed unanimously by the Legislative Assembly of Western Australia, on December 7, 1940, after the original resolution moved by Mr Marshall, had been subjected to three amendments:

“In view of the deplorable state of our primary industries and the ever increasing poverty and unemployment in our midst, the national credit of the Commonwealth should be used in the interests of defence, the primary industries, and the general welfare of the people of Australia by and through the Commonwealth Bank without inflation or any charge.”

Mr Marshall was another *New Times* subscriber.

By the end of 1940 four State Parliaments had carried resolutions calling upon the Federal Government to implement a more realistic financial policy. It was during the early part of the Second World War that some of the financial experts who endorsed the harsh financial policies of the Great Depression were talking frightening nonsense about the German financial system collapsing, that Hitler's "financial resources" were limited.

By July, 1940, *Rydge's Business Journal*, had joined the ranks of those demanding a greater use of national credit to finance a full-scale war effort.

During the first two years of the war numerous primary producer organisations were also carrying resolutions demanding a change in financial policy. Typical of these was a resolution carried at the 7th Annual Conference of the N.S.W. Wheatgrowers' Union of N.S.W., which on March 12, 1940 urged the Federal Government "to use the credit of the nation through the Commonwealth Bank to the fullest possible extent to eliminate the necessity of borrowing from the private banks in Australia for internal purposes, and thus lighten the burden of taxation. . . ." It was further urged that "all finance for defence and public works be provided by the issue of national credit through the Commonwealth Bank, that no more internal loans be floated, and all existing loans, when due, be paid by the Commonwealth Bank."

If I am guilty of having criticised Australia's war effort, then I was one of an army of guilty men.

Endorsing the views of *Rydge's Business Journal*, Mr P.C. Oak, Secretary of The Victorian Chamber of Manufacturers, said: "Hundreds of factories throughout the Commonwealth, all capable of producing some unit of value in the war effort, have been striving fruitlessly for months to obtain orders. They have offered to manufacture at bed-rock prices because they realise the urgency of the nation's needs. The present state of affairs is most anomalous. On the one hand Government complains that industry is its defence contracts and that unnecessary delays are occurring. On the other

side is the spectacle of all the factories, willing to undertake any work of which they are capable, which have not turned a wheel on defence supplies since the war begun."

An examination of the press of that period reveals that a large number of prominent citizens were critical of the serious deficiencies of the war effort.

A headline in *The Herald*, Melbourne, of May 26, 1942, read **THE WRONG WAY TO FINANCE THE WAR**, with the sub-heading "Changes Which Create Disunity". The author was Sir Keith Murdock, father of Mr Rupert Murdock. Sir Keith was critical of the Labor Government of the day imposing Uniform Taxation, claiming this policy was disruptive.

The Herald, of April 15, 1942, carried a critical article on the war effort by a well-known journalist of that period, Mr Clive Turnbull, who wrote that "Commonwealth munitions effort still falls a long way short of the maximum obtainable." Mr Turnbull blamed the Government. According to Mr Phillip Adams, criticism of the government was treachery.

5

Two Hundred and Fifty Meetings

A survey of the provincial dailies and the country press of Australia provides some concept of the numerous meetings I was addressing in the two years leading up to the Pacific War. Presumably big sections of the media of Australia were also helping me to "subvert" the war effort.

A few examples only are sufficient to demonstrate what was taking place. *The Gippsland News* of August 23, 1940, carried the headline, "THE ENEMY IN THE REAR" with the report opening, "As briefly mentioned last Mr Eric Butler delivered a stirring and instructive address on 'How To Finance the War — and After'. . . As stated before, Mr Butler is a young man who is an exceptionally fine speaker and made a very deep impression on his audience."

The Albury, N.S.W. daily provincial, *The Border Morning Mail* of July 10, 1940, headed a long report of an address, FINANCIERS INDICTED. The report stated, "At a public meeting in the Town Hall last evening, when Mr Eric D. Butler, well-known young finance reformer, was the speaker, it was decided almost unanimously to urge the Federal Government to take immediate action to take immediate control of the creation of money for financing the war, in order that a maximum war effort might be achieved without further debt or taxation."

The report stated that "Cr. J.E. Jelbart, President of the

Hume Shire Council, and deputy-president of the Albury and District War Fund, presided."

The Horsham Times of August 23, 1940, headed its two-column report of one of my meetings, FINANCE AND THE WAR EFFORT. The report stated "That the people of Horsham and the farmers of the district are vitally interested in the conduct of the war effort and its effect on the wheat industry was strikingly illustrated on Monday night when an audience of about 250 people assembled in the Horsham Town Hall supper room to hear a lecture on the subject of banking and monetary reform. Farmers comprised the bulk of the audience and keen attention was given to the young orator when he outlined his theory of how the wheat industry could be saved by expanding credit through the Commonwealth Bank.

As at nearly all my meetings, a local Councillor, J. E. Menadue, acted as chairman.

The Malden and Newstead Echo of June 11, 1940, reported that "We are pleased to announce that arrangements have been made with Mr Eric D. Butler to provide one of his interesting articles for publication each week. Mr Butler's first article appears in this issue. He is one of the most renowned writers on all economic and other questions relating to the welfare of the Commonwealth, and the British Empire as a whole. He is a great believer in British culture and has already (he is only 24 years of age) produced two books dealing with the international situation, which have been given an amazing public reception."

The central theme of all my addresses and numerous articles, both in *The New Times*, and elsewhere, was an appeal for a more realistic financial policy, not only to finance a maximum military effort but to ensure that the peace was not lost.

Presumably all the Labor politicians, Shire Councillors, Shire Presidents, Mayors, Clergymen and other prominent citizens chairing my many meetings did not realise that they were supporting the treachery discovered many years later, long after the end of the Second World War, by men like Mr Phillip Adams! During the first two years of the war I addressed over 250 meetings

in all Eastern States. One of the biggest was in Nhill, Victoria, where over 800 crowded the local picture theatre. The key organiser was an old friend who trained Australian airmen in Canada during the war. My influence did not appear to deter him from volunteering to serve in the armed forces.

Big meetings were also being held in the cities, a number of these at the Assembly Hall, Melbourne. One of the biggest of the Melbourne meetings took place early in the war, on November 1, 1939, when Senator Darcy was the main speaker, launching a scathing attack on the treachery of the Money Power. The Rev. E. Hankinson chaired the meeting and the vote of thanks was moved by the Rev. John T. Lawton. Both of these clergymen were *New Times* readers and supporters. Senator Darcy concluded his address with a plea, "I urge you to support the little *New Times*."

Two of my Assembly Hall meetings were chaired by an Independent Member of the Victorian Legislative Council, the Hon. E.L. Kiernan, another *New Times* reader. The vote of thanks at the second of these meetings was enthusiastically moved by Mr Julius Lazarus, who obviously did not take charges of "anti-Semitism" too seriously!

During a time of great national stress, it is understandable that some people can be stampeded into believing the most ridiculous stories. After the war I met with several of those who had tried to stop me speaking in a Victorian country centre, and they frankly admitted that they had been innocent victims of a whisper campaign, one of the most absurd charges being that I was a Communist! It was these types of charges which led to the most sensational and perhaps the biggest meeting of the period, at Tongala, in the Glouburn Valley, Victoria. As a result of these nonsensical charges my main supporter in Tongala, the late R.G. Caldecott, a first World War veteran still carrying shrapnell from that conflict, and fiercely patriotic, issued a public challenge in a striking brochure headed, BUTLER BITES BACK WHILE OTHERS BACK-BITE. The critics were challenged to appear at a public meeting held in Tongala on Friday, May 31, 1940, and to make any charges to me directly. In the political climate of the

time, it was not surprising that intense interest was generated right throughout the Goulburn Valley and beyond. Carloads came from over a hundred miles away. Political enemies were boasting that this meeting would end my campaigning.

Feelings were running so high that the police visited Mr Caldecott at his farm to urge that the meeting be cancelled. They feared that there could be a mob riot with the speaker in great danger. They warned that they could not guarantee protection. Roy Caldecott was not the type of man to back away and with my agreement the meeting went ahead. Long before the starting time, the hall was packed to overflowing. In spite of the cold night large numbers crowded outside the doors and the windows.

The press reports Roy Caldecott as saying in opening the meeting, "You all know why this meeting has been arranged. It is to allow Mr Butler to face the scurrilous charges which have been made against him. We are loyal citizens. I went through the last war, and still carry a souvenir in the shape of German lead near my heart. Two of the Caldecott family are at the front now, doing their bit. I can't go. But I am going to see that the enemy in the rear is beaten. Mr Butler is fighting that enemy in the rear. Tonight I am going to ask you to give him a fair go, and not to hit below the belt."

No sooner had I rose to speak than near-bedlam broke out. All mobs can become mindless and violent, and I have faced some ugly meetings in Canada, while a gun was once pointed at me at a New Zealand University meeting, but I still vividly recall the Tongala wartime meeting as one where I saw my opponents as fellow Australians who had been genuinely misled when hysteria was so easily generated. Interjectors had to be dealt with patiently and some understanding. The first hour was spent in a type of verbal sparring match, slowly but surely working towards creating an atmosphere in which a coherent theme could be developed. It took nearly two hours to reach that stage. There was some humour on the way, and a mild diversion when the swaying crowd, many standing, swept those on the piano at the back off their precarious seat.

Rural Australians are a genuine people, not twisted by the poison of a phony intellectualism often tainted with the envy of the Marxist Socialist, and can be appealed to if you are seen to be genuine. I had no party political axe to grind and was asking nothing more than that as Australians we should all pull together, rejecting policies which were crippling us. By question time many who had come to jeer were starting to cheer. Several said later that they felt ashamed of themselves. When the chairman asked would any of the critics now care to make any charges, there was an expectant silence, broken by loud laughter as someone shouted, "They have all gone home." The meeting finished on a typical Australian note with a call for three cheers for the speaker, followed by a loud voice proclaiming that if ever his wife went into the shop of a well-known local business man generally believed to have been responsible for the complaints sent to Jack McEwan, he would divorce her!

Writing in *The New Times* of July 12, 1940, I said, "Hitler is the very embodiment of those underlying evils against which we are fighting today. He must be defeated." These were hardly the sentiments of someone opposing the war effort. In an attempt to demonstrate that financial policy was the key to winning both the war and the peace, I stressed how the military conflict in Europe had been precipitated by Britain's failure to re-arm a lack of finance being used as an excuse, while Hitler's Germany was pursuing a financial policy which ensured that Germany's productive capacity was being used to the maximum. Early in the Second World War, the same type of financial "experts" who had endorsed the policies which produce the Great Depression, were putting forward the dangerous and idiotic nonsense that Hitler would not be able to fight a long war because Germany was "bankrupt" and "short of money".

The truth about how Hitler broke with financial orthodoxy in order to pursue his totalitarian policies, has been thoroughly documented. Even *The Times* of London, generally regarded at that time as the very citadel of financial orthodoxy, warned early in the war of the realities. In one of a number of articles, on

November 13, 1940, *The Times* wrote, "These things (Germany's financial policies) may well call for drastic re-adjustment in our established conventions. A hidebound persistence of methods and doctrines which were sound fifty years ago may easily prove as costly in the financial and economic field of actual war. It might not lose the war; it would certainly lose the peace." This was exactly what I was saying, arguing that a change in financial policy was essential to win the military conflict in the shortest possible time and to ensure that a genuine peace was obtained.

The well-known American *Harpers Magazine*, in its February issue of 1941, carried a story headed "THE GERMAN FINANCIAL MIRACLE". This issue of the magazine suddenly became unprocurable.

The following is an extract from an article which caused widespread interest — and consternation:

"... A part of our task is to examine the enemy to see wherein lies his strength. When Hitler launched his vast public works and armaments programmes in 1934 and 1935, all authorities on finance announced that it would bankrupt Germany in a matter of months or years at most.

"Today, the facts stand clear and incontrovertible that, instead of being bankrupt, Germany has created vast public improvements, expanded her industry, and built the most expensive and terrible war machine the world has ever seen. All this has been done in a nation that at the start was debt-ridden, impoverished and deep in depression."

The defeat of Hitler's Germany required an honest evaluation of how it was financing its war machine. Not even a Phillip Adams could argue that a military strategist who studied successful German military strategies and tactics, with a view to using them where appropriate, was some kind of traitor. Presumably treachery only arises when financial matters are examined. I was one of those who insisted that financial policies had to be discussed.

6

Full-Time Military Service

With the Japanese bombing of Pearl Harbour and the immediate recall of all trained troops, I reported for full-time military duties in December, 1941. This brought to a conclusion my two-year programme of intense campaigning. One of the best-selling booklets throughout the war was *Victory Without Debt*, by C. Barclay-Smith. My own booklet, *The Enemy Within The Empire*, sold over 30,000 copies. The warnings contained in that book, and subsequently expanded after the Second World War, that the military conflict was being used as part of an on-going programme to break up the British Empire, were unfortunately confirmed by events. International Communism and the forces which have sustained it, were the major winners of the Second World War.

On the eve of reporting for full-time military duties I wrote an "Open Letter," dated December 15, 1941, to all Members of the Federal Parliament. It was widely distributed throughout Australia. The letter started:

"War has been brought closer to our shores. Stirring speeches have been made, warnings have been sounded, and the people have been called upon by some of you to make greater sacrifices. . . It is implied that all obstacles to a real maximum national effort are to be ruthlessly swept aside. But I desire to state that nothing like a real national effort can be

made until a majority of you gentlemen decide to tackle the fundamental problem of the nation — the money problem.”

I went on to point out that even though Great Britain had a national government, leading industrialists and engineers were complaining that the war effort was being sabotaged by the financial system.

Dealing with the luxury trade question, I pointed out that the government had failed to state clearly what were regarded as luxuries. I continued, “If, for example, vacuum-cleaners are considered luxuries — and I have no doubt we can do without vacuum cleaners until after the war — then let the government say so. The task is to transfer the resources used in manufacturing vacuum cleaners to the manufacturing of war equipment. The obvious and simple thing for the government to do is to approach firms possessing equipment which can be quickly turned to the production of war equipment, and to ask those firms to participate in the national effort. Surely, gentlemen, it is not suggested that those firms will not participate if you offer to pay them sufficient to recover all their financial costs. But perhaps you have to have an organised ‘cadging’ campaign first to raise some money!

“If firms cease manufacturing vacuum-cleaners and other luxuries, and start manufacturing war equipment, there will be no luxuries to buy — and that is the end of the matter. This is an obvious and simple approach to the problem — at least, to those who are not mental slaves to the money mesmerism. The mental slaves suggest that we waste manpower, paper and energy in first taking money off people in order that they won’t be able to buy luxuries. So far as I can follow this line of reasoning, the suggestion is that, as there will be no demand for luxuries, the firms producing luxuries will close down, and yet, in some remarkable way, be diverted to the war effort.

“Let me repeat, this idea of taking money off people under the guise of transferring resources used for non-essentials is not necessary. It is directly camouflaging the colossal swindle being foisted upon a stampeded public. . . ”

I was then able to quote support from those who initially had

been amongst my strongest critics *Sound Finance*, in its issue of August 14, 1941, made what I described as an "amazing admission". It read: "If there were real resources already unemployed which could be brought into war production, those transfers (taxation, loans, etc) would not be necessary. . . . In that case, it would be wrong to attempt to transfer money resources from civilian use. *The correct method would be the use of new money created by the Commonwealth Bank. There would be additional production, which would need additional money*". (My emphasis). This is basically what I had been saying in address after address, in article after article. Presumably Mr Phillip Adams and his fellow character assassins must, to be logical, state that even a journal claiming to represent financial orthodoxy, was also "subversive"!

In my Open Letter I addressed a few words to Prime Minister John Curtin:

"As Prime Minister of Australia at the present time, you have an opportunity of proving yourself the Empire's greatest statesman by immediately taking action against the 'enemy within' You, sir, cannot plead ignorance. You know. You have been telling us for years what you would do about the money power if you obtained office. . . This is no time for compromise, Mr Curtin. Take the Australian people into your confidence. . . "

But, as I predicted in blunt language, John Curtin turned his back on all he had preached for years, and surrendered to the debt merchants. In retrospect I feel I may have been a little unkind to John Curtin. He was desperately trying to rally a nation under the direct threat of military invasion, and was almost completely dependent at this stage upon General MacArthur and American support. But even when the military situation improved, Prime Minister Curtin did little to fulfil earlier promises and resented those of his own party who reminded him of earlier promises concerning the use of the nation's credit. In my Open Letter I had made a special plea "to those of you who know this debt-and-taxation swindle. You have fought a hard fight so far. Perhaps you

have not said as much as you would have liked to have said. Now you must put thought of party interests to one side. This is a matter of life and death." My appeal was in vain, although a few of those who had some understanding did continue to press for a more realistic financial policy. Prominent among these was the Premier and Treasurer of the Tasmanian Labor Government, Mr Dwyer-Gray, strongly backed by his own colleagues.

While serving in the islands, I corresponded with Senator Richard Darcy, who became progressively depressed about the prospect of his own Government doing anything realistic. In one letter he painted a far from flattering picture of the behaviour of some of his Labor colleagues during the darkest days of the Pacific War. The very man who helped Labor first come to office, Mr Alex Wilson progressively lost hope of the Labor Government even attempting to implement its own banking policy. But he continued to maintain that there was no alternative to the Curtin Government at that time. I was grateful to Wilson for the assistance he offered when I was under the Communist-inspired threat of internment late in 1942. Alex Wilson eventually left Federal Parliament, rewarded by Labor with the post of Administrator of Norfolk Island.

As the war proceeded the Federal Government was however, forced by events to dramatically increase the money supply — and, of course, the national debt! It was one of Labor's senior Ministers, Mr J.J. Dedman, best remembered for this statement that he was opposed to all Australians having their own homes, as this would make them a "nation of little capitalists", who also stated that heavy taxation was not necessary to finance the war; that it had been imposed mainly for psychological reasons. But the taxation being levied could not have been paid without the huge volume of new credits created. A nation which only a few years previously allegedly could not find even a few thousand pounds for necessary projects was now finding millions of pounds.

Writing in his authoritative work, *The Growth of a Central Bank*, Professor L.G. Giblin, senior adviser to Federal Governments during the Second World War, said, "The Commonwealth Bank Board in 1942 recognised that a great

expansion of central bank credit was necessary to finance the war." This big expansion of Central Bank credit enabled the trading banks, in accordance with established banking practices, to expand their rate of credit creation.

But, as I and others had warned, the creation of vast sums of debt-finance, and the imposition of heavy taxation, must result in inflation. Price and other controls proved ineffective. Black markets developed. Retail prices increased by 9.5 per cent. during the first twelve months of the Pacific War. The government met the growing inflation crisis with a radically new financial policy, the subsidisation of basic items in the economy, those used to adjust wages, which would end the prices-wages spiral. The Minister for Customs, Senator Keane, explained the need for the subsidy scheme as follows:

"We must not look upon subsidies under the new plan as payments to which an industry is not entitled. They are not payments because the industry is inefficient in comparison with other industries, and they do not resemble doles. They are payments because the Government considers it more economical to meet increased costs through subsidies rather than through rising prices." (vide *The Sydney Morning Herald*, April 14, 1943).

The principle underlying consumer price discounts is simple: that instead of new credits being used to inflate prices, part of those credits are used to reduce prices. The taxes used to finance the subsidy scheme would not have been available if it had not been for the big expansion of new credits.

The ultimate test of any idea is whether it works. There was almost complete price stability in Australia for four years following the introduction of the price discount policy. There was the same stability in every other English-speaking country, where this policy was adopted. When news eventually reached me at my gun station in the islands, I could not help a smile of satisfaction. The price discount policy was a modified version of Social Credit policy. Clearly the labours of Social Crediters and monetary reforms had

not been in vain. I rate the price discount scheme as one of the most constructive policies introduced during the Second World War. Opposition leaders Menzies and Fadden supported the scheme when introduced in the Federal Parliament, and when, in 1948, the Chifley Government started to abolish the subsidy policy, both Fadden and Menzies complained that this would trigger off inflation. Before the 1949 Federal Elections, the Opposition was campaigning under the slogan of "Put the shillings back into the pound", promising firmly the introduction of the subsidy policy. As a result of discussions I had with the then Mr Fadden, I had no doubts that he fully intended to implement the election policy on prices subsidies. But within six months of the 1949 election victory, the Menzies-Fadden Government had capitulated in the face of strong opposition from Dr H.C. Coombs and other Treasury "experts". Continuous inflation has continued ever since.

With the massive expansion of new credits to ensure that a far greater use of Australia's resources was possible, and the comparative price stability resulting from the price discount system, Social Credit activities were being concentrated into opposition to all proposals to use the war situation to erode the Australian Constitution. I wrote, when possible, from the North, all of my articles not only going through military censorship, but also through civilian censorship. The only articles of mine refused publication by the censor were those which criticised the Soviet Union and the long term objective of the Marxist-Leninists to exploit the war to advance a global revolutionary programme, a major objective being the destruction of the British Empire.

My criticism of Soviet policy came at a time when it was fashionable to be a member of the Australian-Soviet Friendship League and to assist with "Sheepskins for Russia". The criminal running the Soviet had been turned into pipe-smoking "Uncle Joe", perhaps a rough character, but one with whom we could all get along with after the war.

I was not numbered among those who conveniently forgot how Stalin had given the green light to Hitler to invade Poland, and

then carved up that country with his fellow totalitarian, Adolf Hitler. Many of those who were to smear me later had accepted uncritically the propaganda myths concerning the Soviet Union.

K.D. Gott and the Reed Inquiry

When Hitler attacked his former partner, Stalin, the Communist Movement in Australia moved into the open and overnight became respectable. Membership of the Communist Party escalated and Communist influence reached deeply into every part of Australian society, including government instrumentalities. The same developments were taking place in all other countries and as was subsequently revealed, Communist agents, many of whom were not formal members of any Communist Party, penetrated into the most sensitive positions, some like the notorious Kim Philby and others even reaching key positions in western security organisations.

As subsequently demonstrated by the Petrov Affair, Dr Evatt was extremely gullible concerning the Communist conspiracy.

In order to outline my own war-time clash with the Communists who called for my internment, and with Dr Evatt, it is appropriate to come forward to the year 1965, when a booklet, *Voices of Hate*, by Mr K.D. Gott was published. It purported to be "A Study of the Australian League of Rights and its Director Eric D. Butler." Mr Isi Leibler, Zionist spokesman, and others, continue to claim that *Voices of Hate* is the most authoritative work on me and the League of Rights.

Mr Gott came into national prominence in 1984 when, at the height of the debate on Aboriginal land claims, the Minister for Aboriginal Affairs Mr Clyde Holding, announced that Mr Gott was being appointed by the government, for six months, to

"monitor" and report on the activities of The Australian League of Rights. It was subsequently revealed that Mr Gott was to be paid \$55,000. This was an unprecedented event in Australian politics, a government using taxpayers' money and the machinery of government for the specific purpose of combatting a non-party political movement whose continued existence depends upon voluntary contributions from supporters. Mr Gott is a former member of the Communist Party and now an active member of the Fabian Socialist movement.

There is not the slightest pretence of objectivity in the Gott "study". It is a blatant smear project, full of inconsequential trivia, and contains elementary errors of fact, such as the claim that I am "joint proprietor" of the Heritage Bookshop. The guilt-by-association technique is used freely. The hackneyed "anti-Semitic" charge is repeated as is that of "racism". Jewish writers whom I have quoted, distinguished scholars like Dr Alfred Lilienthal, the American Jewish authority on the Middle East, are described by Gott as "fanatical anti-Zionists."

Mr Gott's dishonest tactics are blatantly demonstrated in his chapter, "Mr Butler's War-Time Activities", which completely misrepresents a so-called war-time "inquiry" and the report by Mr Justice Reed on my activities. As Gott mentions my booklet, *An Exposure of "The Secret Life of Eric Butler"*, a 1960 detailed reply to earlier smears which Gott merely rehashes, he cannot plead ignorance concerning what the Reed inquiry was about, and its commendation of my loyalty and public service. But in spite of this, Gott demonstrates how low the smearer can sink by writing, "These days Mr Butler does not refer to this seamy episode in his career". So far from "exposing" me, as Gott charges, the man primarily responsible for setting up the Reed Commission, Attorney-General Dr H.V. Evatt, and his associates, were so disappointed with the Reed Commission's Report that it was never printed, but only roneod, and no effort was made to publicise its findings. It was a non-event.

The defeat of the 1944 Powers Referendum was a major setback for Dr Evatt and his Communist allies, who openly took

almost complete control of the "YES" campaign. Dr Evatt's friend, well-known Marxist theoretician, Dr Harold Laski of the London School of Economics, wailed about the result. The Communist press made wild accusations about the "reactionary" forces which had combined to defeat the referendum. I was one of the "Fascists" regarded as having been responsible.

During the referendum campaign I had constantly referred to Evatt's totalitarian philosophy, expressed clearly in Parliament on October 1, 1942, when he said:

"I desire to make it perfectly clear that the amendment (to the Constitution) I propose will give the decision to Parliament itself, and no person will be able to challenge the validity of Parliament's decision", an echo of the view of Laski that "the core of the British Constitution is the supremacy of Parliament", meaning that Parliament should be unfettered in what it can do. If a group of politicians can do as they like, without any reference to permanent values, such as the right to life, then as one distinguished British jurist pointed out, they could pass a law stating that in the interests of population control, all blue-eyed babies had to be put to death at birth. This would be legal.

The traditional British view of government is that it is the servant of the people and operates within the framework of moral values embodied in what is called the Common Law. The future of Civilisation depends upon whether governments are prepared to admit that what they call laws are subordinated to what the philosophers describe as "Natural Law."

It is important to recall that the armed services recorded a YES vote at Evatt's referendum, a fact which many found surprising. I didn't, being aware that Army Education was dominated by Marxists. Ex-servicemen will recall the steady doses of Socialist propaganda they received through *Salt* and other Army Education productions. I had many a clash with the Marxists in Army Education publications and during lectures to the troops. Communist influence in Army Education was even strong enough to prevent the Australian Broadcasting Commission from broadcasting an army group discussion I had written while on the

instruction staff at the jungle training school at Canungra, Queensland. This was in June, 1945.

The script was favourably commented on by the ABC, which said it was refreshingly different. It was passed by the Army Censor at Victoria Barracks, Melbourne, and by the Public Relations Censor. But just prior to a recording of the discussion being made at Canungra, an urgent message came from Army Educational headquarters stating that the broadcast could not proceed.

It was interesting that the only excuse given for non-approval was the too-frequent use of the word "bureaucrat". What the totalitarians in Army Education really objected to was the theme of the proposed discussion, summarised in the final words of the Chairman of the discussion group:

"... to be aware of what the dangers are is half the battle in overcoming them. You remember the King's great words in his victory speech. 'The defeat of Germany and Japan is only the first half of your task; the second is to create a world of free men untouched by tyranny' This would indicate that His Majesty shares some of the fears expressed here tonight. But I think we can have every confidence that our fellow Australians will watch their liberties and thereby ensure as our great Empire War leader, Winston Churchill, has said, 'that we do not all become little stooges of the state.' "

Ironically, the title of the banned ABC discussion was *Does Totalitarianism Threaten Us On The Home Front?*

In their Introduction to the Gott booklet, Mr Leon Glezer and Mr Peter Samuel wrote that "The conclusion that emerges from the following pages is that Butler has succeeded in creating a fairly acceptable appearance while at the same time continuing to disseminate hatred." Gott says I am "a man with several faces", mentioning that my neighbours in Eltham remember me as a former President of the Eltham Shire, while fellow-Anglicans know me as a one-time member of the Melbourne Anglican Synod. The authors of these comments presumably did not consider how

illogical they were being. I was a member of the Eltham Shire Council for nearly a decade and was never challenged at an election. Those who know me best apparently cannot detect that I am a man engaged in disseminating hate. Gott lists a large number of public figures with whom I have been associated. Presumably they have not detected the evil traits that Gott is at such pains to suggest I possess. Hate is a self-destructive force and many of my critics appear to suffer from the very complaint from which they say I am suffering.

Mr Ken Gott was a member of the Communist Party until 1956, the year of the Soviet's brutal extinction of the Hungarians' brave attempt to establish their independence. He is today a prominent member of the Fabian Socialist Society, a movement originally started in England by Marxists who realised that the English-speaking nations would never accept the Leninist strategy for advancing Marxism. Although Mr Gott said that my anti-Communism was in fact welcomed by the Communists, the Communist press lost no time in featuring his *Voices of Hate* and selling it. Mr Gott's journalist style may be judged by the fact that the editor of *The Australian* would not publish an interview Mr Gott had with me, stating in a letter to me that he regarded Mr Gott's material as libellous.

My reaction to the Gott hate booklet was that the League of Rights should stock it and promote it at all meetings as an example of how the League was smeared. The book became counter-productive, with many present-day League supporters originally finding their way to the League through *Voices of Hate*. Supplies eventually became difficult to obtain, with the League having to purchase supplies from Communist bookshops! The publishers declined a League request to publish its own edition.

In a television debate with me in Adelaide some years back, the current Minister for Immigration, Mr Chris Hurford, tried to use *Voices of Hate* to discredit me and the League. I told Mr Hurford that the League found the book most helpful, but could no longer obtain supplies. Mr Hurford insisted the book was still available and I placed a firm order with him immediately. I reminded him

of the order the following morning at a radio station. But the order was never fulfilled.

From time to time there have been rumours that Mr Gott was updating his book. During 1984 it was even stated in *The Australian Jewish News* that a new updated edition would soon be available. I look forward to its publication.

The main reference to me in the Reed Commission's Report was in Section 61, which read:

"Practically all those who are interested in these matters are very active in spreading their views and engage in what without offence may be called propaganda. Most of them devote a great deal of time to studying the questions in issue and are intensely interested in political, social and economic matters — an attitude which we venture to suggest might very well be emulated by a great many more of the citizens of this Commonwealth. We say at once that apart from some slight suspicion regarding one or two individuals, those who have come under our notice are loyal to His Majesty the King, and are actuated by a sincere desire to improve the lot of themselves and their fellow men, and to bring about a better state of society. Quite a number of the witnesses served their country in the last war. Quite a number have sons or relatives fighting in this war, and in some cases the sons have lost their lives. We may give one or two examples. Mr Dean served in the Navy during the last war. Mr Partington has lost three sons in this war. Mr Madden has three sons in the Second A.I.F. Mr Byers as served in the Merchant Navy during the present war; Mr Bruce Brown has lost a son in this war; Mr Eric Butler is a member of the 2nd A.I.F.; Mr Brock is a returned soldier from the last war and is doing military duty at the present time."

Mr Bruce Brown received the news that his son in the air force had been killed in action as he was about to address a big Melbourne Town Hall meeting on monetary reform.

The purpose of the Reed Commission was to attempt to smear Social Crediters. It was Dr Evatt's friend, Mr H Alderman, K.C., of Adelaide, assisting the Commission, who said that "he was trying to show that certain organisations had been interlocked through individuals in various places and were being used for subversive purposes." This comment was made in response to a question by Senator Darcy, who wanted to know why he was adopting such an aggressive attitude towards witnesses. In reply to Mr Justice Reed's question, "I trust you are getting somewhere within the scope of this inquiry?", Mr Alderman replied, "Yes, I think this is one of the fifth column activities." But in spite of using material carefully prepared by Communists and their tools in Security, Mr Alderman was not able to convince the Commission that there was any basis whatever for the allegations about subversive activities. It was not surprising that the Commission's report was quietly forgotten by Dr Evatt.

In answer to six questions concerning the Reed inquiry, Dr Evatt said in the Federal Parliament on February 23, 1945, that "Mr Butler had written articles which, in the opinion of the Director-General Security, constituted an attempt to create adverse public reaction to war loans campaigns, and to the war effort generally." Although Dr Evatt accepted no responsibility for the manner in which Mr Alderman and his Security advisers attempted to smear me before the inquiry he had established, he was either dishonest or ignorant of his own security measures, because everything I wrote was subjected to the closest scrutiny by the Censor authorities. The holding of such an inquiry implied that the censors were allowing me to write articles prejudicial to the war effort. This was obviously absurd.

The attempt to use the Reed Commission to smear me and other Social Crediters was not an isolated affair, but part of an on-going campaign which started early in the Second World War.

8

Dr. Evatt and Social Credit

So far from regarding Social Credit financial proposals as subversive, Dr Evatt initially attempted to convince Social Crediters that he was a sympathiser. But that was when the Social Credit Movement was spearheading the nation-wide campaign of opposition to Dr Evatt's proposals to virtually destroy the Constitution by a massive increase in powers for the Federal Government.

The effectiveness of the Social Credit campaign against the attack on the Federal Constitution may be judged by Dr Evatt's violent reaction. He first took the matter up with Senator Richard Darcy and adopted a threatening attitude. Senator Darcy told Dr Evatt that he was badly misjudging the calibre of Social Credit spokesmen if he thought they could be silenced by threats. Senator Darcy told Dr Evatt that he should forget his threat to jail them as there were not enough prisons to hold all his Social Credit critics. Dr Evatt then changed his approach and suggested that he should meet some of the Social Crediters in a friendly spirit and deal with their objections to his constitutional proposals. The result was an historic address which subsequently Dr Evatt did not like to be reminded about. The address was given at a luncheon meeting of Social Crediters at Farmers', Sydney on December 3, 1942.

Dr Evatt's address was full of eulogies for the Social Credit Movement. Dr Evatt was careful to say that he didn't understand

all the principles supported by Social Crediters. But having tried to convince his audience that he fully supported them on "main principles", Dr Evatt then came to the real purpose of his address, stating "... there is one aspect to which I must draw your attention. What is physically possible is not always legally possible. That is the problem we are up against so far as the Australian Constitution is concerned."

With the above line of approach Dr Evatt hoped to convince Australian Social Crediters that they should cease their opposition to his demands for greater powers for the Federal Government; that if they did this they could rest assured that they had a powerful supporter for their financial policies in the Labor Government.

When news of the Evatt strategy reached me in the islands, I immediately sent back a warning. When Dr Evatt stepped down from the High Court to enter Federal politics early in the Second World War, I was one of his critics at a time when there were many eulogies. I pointed out that Evatt had close associations with Professor Laski, the Marxist theoretician who influenced many students at the London School of Economics. One of those students, Dr H.C. Coombs, worked closely with Evatt in his attempts to subvert the Federal Constitution. Dr Evatt had written of how deeply indebted he was to Laski for help and advice.

Following the Sydney meeting, Dr Evatt sought a private interview with the editor of *The New Era*, Mr C. Barclay-Smith, and again claimed to be a supporter of Social Credit financial policies. But the Social Credit criticism of the government's constitutional proposals continued, which annoyed Dr Evatt intensely. The next development was a personal discussion between two prominent Sydney Social Crediters, Mr W.H. Hand and Mr John Macara which ended with John Macara telling Dr Evatt in the strongest possible language that he would leave no stone unturned to defeat any attempt to violate the Constitution.

Dr Evatt's strong hopes of avoiding a referendum by having the States agreeing, however reluctantly, to transferring the power sought for a limited period, founded on the refusal of the Tasmanian Legislative Council to agree to the transfer. Tasmania's

Legislative Councillors were encouraged in every possible way by Social Crediters.

When Dr Evatt was ultimately forced to take his far-reaching constitutional proposals before the Australian electors in 1944, the Communists openly took charge of the campaign. They understood the far-reaching implications of what was proposed. As my writings had not endeared me to Dr Evatt and his Communist allies, they were not pleased when I entered the campaign personally in Sydney, where I was doing a special arms school. It was particularly pleasing to speak in Dr Evatt's own electorate in a borrowed civilian suit! It was shortly after the Referendum, which the Communists and their allies claimed had been defeated by the local "Facists", that while home on leave I was summonsed to appear before Dr Evatt's inquiry. The Communists had warmly welcomed the inquiry, which was set up on January 28, 1944. It was more than a coincidence that I was summonsed to appear before the inquiry, in Melbourne, on August 20, 1944, when I was home on my first leave for over twenty months. The Reed Commission's Report was presented to the Federal Parliament on March 6, 1945. Thousands of pounds were spent on an inquiry which eventually concluded that I and my colleagues were loyal Australians. The Reed report made no recommendations and I continued training troops.

The Threat of War-time Internment

From time to time it has been suggested that I was interned during the Second World War. In many cases it appears that the wish is father to the thought. But it is true that I came close to internment as a result of what clearly was a Communist-inspired campaign.

On August 27, 1942, my late father, C.H. Butler, at that time Headmaster of the Newport State School, Melbourne, contacted me to say that he had been reliably informed that *The New Times* was to be suppressed and severe action taken against me. At the time he did not give me the source of his information. As I was serving with an anti-aircraft battery, part of Melbourne's defence system at the time, I was able to consult immediately with the editor of *The New Times*, Mr H.F. Allsop, and other Social Crediters. It was decided that offence was the best tactics, with *The New Times* of September 4 carrying a front-page article under the heading, ENEMIES OF BRITISH DEMOCRACY VERSUS US." The sub-heading read, "Stab-In-The-Back Tactics Must Be Anticipated. The article made it clear to our enemies that we were aware of what was proposed and that we did not propose to submit quietly to the same type of treatment meted out to The Australia First Movement.

The article caused some concern in the quarter from where the proposed action was to come. There is little doubt, however, that I

and others were saved from threatened internment by the most fortuitous circumstances. A Mr George Lee, working with *Readers Digest* before the outbreak of the war, was engaged as a Censor. Mr George Lee took a young lady to dinner at the London Hotel, Melbourne, and in the course of the evening made it clear that he strongly disliked me and my activities. I was, according to Mr George Lee, "Anti-British, anti-American, anti-Semitic and pro-Fascist." He was only waiting for me to go a little further before I would be interned.

My subsequent career would have been rather different if it had not been for the fact that the young lady George Lee was no doubt trying to impress, was closely associated with my Father! Following the article in *The New Times* of September 4, Mr George Lee met again with the young lady, providing her with more information which was promptly relayed to my Father. Mr George Lee said that investigations had resulted in an "absolutely conclusive case" against me. There was a dossier of 300 pages on me, and it was certain that I, along with others, would be interned before long. Dr John Dale, Melbourne City Health Officer, and Mr Bruce H. Brown, Deputy Commissioner of Mails, were mentioned among prominent public figures, who were also to be interned. George Lee said that the public would be shocked to learn of the subversive activities taking place right "under their noses". Amongst the more fantastic allegations was that a secret radio station was being operated from the offices of *The New Times*, providing information to the enemy.

Some of the allegations against the Australia First Movement were just as fantastic. But in the hysteria of the time they were believed by many. Sir Stanton Hicks, internationally recognised nutritional authority, was also smeared early in the war with being "pro-Nazi". Sir Stanton Hicks later became Australia's Director-General of Australia's food supplies and was knighted for his outstanding services. Hicks was a close friend, presumably another of Mr Adams' "subversives", and I recall him telling the story of how when he had been knighted, he was being congratulated by one of those who had made "pro-Nazi" allegations, and had the

greatest pleasure in telling this person "to stop fouling the clean air of William Street, (Adelaide) which I have to breathe."

The next action in the drama concerning my threatened internment was a letter by my Father to my second brother serving abroad with the A.I.F. My Father referred to my possible internment, but said "... as my information comes through a half-witted hot-air merchant in the Censor's office, there is probably nothing in it." My Father used these words deliberately, knowing that as his letter would be censored it would lead to enquiries. This is what happened. A Sergeant from Military Intelligence interviewed my Father on September 2, and was provided with all details concerning George Lee's allegations. He was also introduced to my Father's informant on October 4.

While these developments were taking place I was awaiting to leave for the North with my Artillery Unit. Although the action taken by my Father threw my enemies on to the defensive, they made one further attempt to attack me before I sailed. On October 22, 1942, two officers from Security visited Royal Park military camp and told my Commanding Officer, the late Major Tom Rusden, that I was subversive and that I might easily be planning to seize control of our boat on the way North and to throw the officers overboard. Major Rusden accepted the fantastic allegations as something in the nature of a good joke, because he immediately sent for me, told me what had happened, and then asked with a smile, "I suppose you can give me your assurance, Sergeant, that you won't drop me overboard" to which I replied, "I think you will be pretty safe, Sir".

My Commanding Officer was well aware that I had political enemies and my understanding was that he dismissed the two visitors from Security as personal opponents of mine using their positions to try to smear me.

My unit sailed almost immediately after this incident and my Father was left to take up the matter with Security and the Department of the Army. But he could obtain no satisfaction and, as was discovered later, Security lied concerning their alleged removal of George Lee.

When it became obvious after a period that Lee was still occupying his position as an Assistant Censor, my Father wrote to the Director of the Commonwealth Security Service on December 8, 1942, stating, "In view of the danger involved to the public welfare in general, and to my son's interests in particular. I am not prepared to allow this matter to drift into oblivion or to be sidetracked by Lee's political friends — particularly as I know those friends are still very active in their endeavours to injure Eric's public credit." My Father said that he proposed a full public disclosure of what had happened, that prepared statements would be circulated to the Australian press. He also proposed bringing the matter to the attention of a selected list of politicians, "including Mr A. Wilson, M.H.R., who is well known to Eric. "Alex Wilson, Senator Darcy and several other Labor Party supporters of *The New Times* had been kept informed of developments.

I have little doubt that I had sufficient political friends to ensure that any attempt to intern me and my colleagues would have produced a major national political storm.

The Director of Security immediately responded to my Father's threat of public action with a telegram. Action against Lee was promised. Lee was at least guilty of breaking his oath of secrecy. But it was subsequently revealed that no action whatever was taken against Lee. Clearly Lee had sufficient political friends in Security to ensure that he was protected.

For some unknown reason Lee rang me up after the Second World War, ostensibly to suggest I had been too hard on one of his friends, whom I had described as a shallow, rootless man who was certainly not a Communist, as Communists were at least people of convictions. Shortly afterwards I noticed that Lee had been charged with shop-lifting, which suggested that he was unstable.

Even though I had, almost by a miracle, escaped the threat of internment, the fact that I was serving my country with the armed forces, far removed from being able to do more than write as opportunities permitted, did not mean that my enemies had forgotten about me. On May 9, 1944, a Security Officer known to

my Father, went to see him at his Newport School, to warn him that there was a new attack on me being prepared inside Security. He had no doubt that it was Communist inspired and had been initiated inside Dr Evatt's Department. He could say no more than this. Subsequent events showed that preparations were being made to have me brought before the Reed Commission's inquiry.

As George Lee had stressed that the internment of people associated with *The New Times* would be a much bigger and more shocking national sensation than the internment of the Australia First leaders, it is of interest to outline briefly a generally-forgotten part of Australian history — and the disgraceful role of Dr H.V. Evatt, the so-called great human rights advocate.

10

The Australia First Case

During the last week in March, 1942, the Labor Member for Burke, Victoria Mr Maurice Blackburn, a distinguished lawyer and genuine libertarian, with whom I had shared platforms on several occasions, rose in the Federal Parliament to reveal that the Australia First Movement had been suppressed and a number of its members "detained". Mr Blackburn protested, saying he could see no good reason for such drastic action, especially if it was true that no charges had been laid against them. He could not imagine them as agents for Japan or spies for Germany. He flatly refused to believe that there were any vocal enemy sympathisers in the movement.

Mr Blackburn's action was highly commendable, as he knew that it would not please many of his Labor colleagues, and would infuriate the Communists, and their sympathisers, who had attempted to break up Australia First meetings in Sydney. A series of fights in public halls resulted in the N.S.W. police banning any further Australia First meetings. Communists, previously suppressed because of their treacherous attitude towards national defence, were now being hailed as heroes.

Criticism of *The New Times* by the Australia First's journal, *The Publicist*, prior to the start of the Second World War, indicated a failure to understand the deeper ramifications of financial policy. The principal figure of the Australia First movement was the late P.R. Stephensen, a well known literary

figure, whom I came to know well after the war. Regarded as an eccentric and erratic by some, Stephensen rarely expressed bitterness towards those responsible for his internment without trial, even though the affair ruined him financially as well as socially. He earned a living after the war by ghosting books for well known authors. I spent many an entertaining hour with Stephensen eating beef sandwiches at the old Metropole Hotel in Sydney.

The harshest comment Stephensen made about Evatt was to describe him as "a lout with a veneer of higher education."

Ironically, Stephensen had welcomed Evatt's entry into the Federal Parliament in 1940. Evatt's historical studies had been praised in *The Publicist*.

Whatever may be said about the Australia First movement, it was highly nationalist and patriotic. Its programme for the defence of Australia read:

- (1) National non-party Government and no party legislation during the war emergency.
- (2) Active defence against air raids by fighter 'planes rather than passive defence by 'blackout'.
- (3) Fighting spirit instead of 'deep defence', 'scorched earth', 'evacuation', 'Maginot mentality' and 'retreatism'.
- (4) Courageous and positive war leadership, instead of 'scare advertising'.
- (5) Public inquiry into Ministerial responsibility for the insufficient defence of Rabaul.
- (6) No formation of irregular 'People's' army.
- (7) Recall, when practical, of the A.I.F. and the R.A.A.F first Australia's defence.
- (8) Aid for Australia first (i.e. before Russia).
- (9) Independent voice for Australia in Pacific War Councils.
- (10) Immediate transfer of all Commonwealth departments to Canberra.

There was nothing seditious in any of these points, each of them having been supported by people of all party political backgrounds. Dr. Evatt himself had supported point number 9.

While there is little doubt that the Communists were deeply

concerned about the Australia First movement, and were determined to destroy it, their major target was the Social Credit movement and its leaders, of which they regarded me as the most dangerous. It is legitimate to ask whether the internment of the Australia First members in an atmosphere of hysteria created by sensational allegations, was the preliminary to the internment of Social Credit leaders like myself.

Responding to Mr Maurice Blackburn's complaint the next day, the Minister for the Army, Mr Forde, made what must be regarded as the most sensational statement ever made in the Federal Parliament. It is not surprising that screaming headlines in the papers stated that, for example, "SPY MURDER PLOT ALLEGED." Press reports said that Members of Parliament were "startled", as well they might have been.

Mr Forde told Parliament that the authorities had a great deal more against the Australia First movement and the 20 interned members — 19 men and a woman — than mentioned by Mr Blackburn. The Australia First movement had been investigated for "a considerable time", and the 20 persons arrested and interned had resulted from those investigations. Documents and papers had been seized — in what part of Australia and on what premises Mr Forde did not say — and the evidence pointed to "Fifth Column activity of the worst kind by a very small band of people." The documents allegedly set out elaborate plans for sabotage at vulnerable points, calculated to make resistance to the Japanese impossible. Plans for the assassination of prominent people were set out. One document purported to be a proclamation with the heading, "the Australia First Government welcomes to this country as friends and liberators, the Japanese leaders and army." Mr Forde declaimed, "We shall stand no Quislings, whether they come from the highest or the lowest."

Censorship regulations prevented the media from publishing the names of the interned Australia First members. But *Tribune*, the Communist weekly, being published illegally at the time, was able in its issue of April 29, to publish the names of fifteen of those interned. While the boasts of the Communists that they had been

responsible for the internment should be treated with caution, there is no doubt that the Communists had, along with some Federal Labor Members, been calling for action against the Australia First movement. And there is no doubt that during this period the Communists were highly influential.

Every interned member of the Australia First Movement was Australian-born, some being third and fourth-generation Australians. One had served with distinction in the First World War, and had been badly wounded. *The Bulletin* of April 1, 1942, commented that "In Sydney, where the Australia First movement originated, its members were popularly regarded, except by Communists and their friends, as being at the worst well-meaning cranks." *The Sydney Morning Herald* quoted a barrister as saying that while it was possible under National Security regulations to hold a person for the duration of the war in the interests of national security, "if the charges made in the Minister's statement are correct, then it is a matter of treason, and the men should have a choice of defending themselves in the Criminal Court." But the great libertarian Dr Evatt, the man who spoke so eloquently about justice for all, and those advising him, held the Australia First detainees behind barbed wire and consistently denied them the right to defend themselves. They were eventually all released still without any formal charges being laid against them. The story of how Dr Evatt later prevented them from seeking any redress, is a dark stain on Evatt's record.

How different was the treatment of the Communists Thomas and Radcliffe, charged in a court of summary jurisdiction, where the evidence showed that they were members of the Communist Party, then an illegal body campaigning surreptitiously against what it termed "the imperialist war". Documents were produced in the court and properly tested for authenticity, showing that the Communists were actively recruiting from War industries and other key industries. Thomas and Radcliffe were convicted and imprisoned. At the end of their prison term, these two dedicated Communists left no doubt that there was no change in their attitude towards the war effort, and the Menzies Government refused to

release them. When agitation for their release developed into a well organised campaign, the government appointed a tribunal headed by Mr Justice Pike of N.S.W., to consider the case. The Pike Tribunal reported that "both the objectors up to the time of their arrest were actively engaged in deliberately hindering, by every means in their power, the war effort of this country, and this was admitted by their solicitor." The Pike tribunal expressed "very considerable doubt whether any undertakings given by the men would be carried out."

With a change of government shortly after the tribunal's report had been made, there was a renewed national agitation, with a number of "sympathy strikes" because Radcliffe and Thomas had gone on a hunger strike, and the eventual release of the two men by the Curtin Government, which accepted guarantees of good behaviour by them and by the Sydney Labor Council.

The same man, Army Minister Forde, who signed the detention orders in the Australia First case, also signed the release order for Radcliffe and Thomas, had it carried to the internment camp by a military despatch rider, stating that "the release of Ratcliffe and Thomas will remove what might have been otherwise a source of serious industrial friction and will help to promote production in war industry."

In times of war there is always a type of hysteria which results in many individuals suffering great injustices. Not only Australians of German and Italian backgrounds were interned without any good reasons, but many others suffered the same fate, generally because of some indiscreet remark in a hotel bar, or because of allegations by neighbours who disliked their politics. This is a forgotten part of Australian history. There were cases of respectable and loyal citizens being interned without charges for short periods and then released without any explanations. Most of the victims felt it better to keep quiet rather than risk ostracism by complaining publicly.

The climate of the period made it relatively easy for the growing Communist Movement to further smear campaigns against political opponents.

It was to the credit of the small number of Federal Members, Mr Arthur Calwell being one, who perserved in an attempt to obtain justice for the interned Australia First members. Mr Brian Fitzpatrick, General Secretary of the Australian Council for Civil Liberties, excused himself for not offering to defend the Australia First internees with the weak excuse that his Council had received no specific request. Both in his version of Australian history and his defence of civil liberties, I always found Fitzpatrick extremely selective. During the 1944 referendum campaign Brian Fitzpatrick had some extremely harsh comments to make about me and my Social Credit colleagues.

The Bulletin continued to report on the Australia First affair, while editorially criticising the Labor Government generally and Dr Evatt in particular.

As a result of mounting pressure Dr Evatt announced on May 2, 1944 that a Federal bankruptcy judge, Thomas Stuart Clyne, had been appointed to report on the internment of the Australia First members. But Evatt made an incredible statement in which, in essence, he prejudged the investigation. Evatt said:

"Any person rushing in to make party political capital out of these cases will find, after the full facts are disclosed, that he is on the side of a group, the leaders of which were prepared to stab Australian in the back during the period of our greatest peril. The safety of Australian soldiers and the Australian people could have been placed in greater peril had their agitation and propaganda been successful. It is quite consistent with this that some of the group were duped or misled. Mr Justice Clyne will, I hope, carefully distinguish in his report as to all the individuals concerned directly or indirectly in the leadership of what was undoubtedly a quisling, a subversive, an anti-Australian and an anti-British group."

Here we have the Commonwealth Attorney-General, a former Judge himself, blatantly violating a fundamental principle of justice by virtually directing an investigating Judge as to what he

should find.

Evatt was also responsible, either directly or indirectly, for a prejudicial statement by the Director-General of Security, Brigadier Simpson, who said that the Security Service would be able to show that while concerned with national safety, the government had been humane and considerate. Simpson said that neither Security or Dr Evatt had anything to do with the internments, but went on to say that "if the responsibility had been mine at the time these internments took place, I feel that I would unhesitatingly have made the same recommendations as were made to the then Minister for the Army."

Simpson was a personal friend of Evatt's and it is almost certain that Evatt suggested, or authorised the statement by Simpson.

Simpson was the same man who admitted that he had been responsible for me being called as a witness before the Reed Commission.

Statements made during the Inquiry by Mr Justice Clyde suggested he was not the best suited to handle the wide range of issues under review. Captain Blood of Sydney, in explaining why he had recommended the internment of members of the Australia First Movement, said that among his reasons were articles in *The Publicist*. There followed an hilarious incident when Blood was offered a quotation by a public figure and asked whether it would justify the internment of the author. The passage concerned contained warm praise for Hitler in building up Germany after World War I, ending with a description of Hitler as "a highly competent, cool, well-informed functionary with an agreeable manner", adding that "we may live to see Herr Hitler a gentler figure in a happier world." Blood, unfortunately for him, responded by saying "It is hardly what I'd call a Churchill speech." But that is exactly what it was! It was an extract from page 228 of Churchill's *Great Contemporaries* (1937).

The Clyde Inquiry demonstrated that members of Army Intelligence were poorly equipped to deal with a political movement like The Australia First.

Articles in *The Publicist* had to be passed by the censors which suggested that the censors and members of Army Intelligence had a completely different view of what was subversive. The more professionally competent Commonwealth Investigation Branch had a different assessment of the Australia First Movement than did Army Intelligence.

The Clyne Inquiry left much to be desired, but it did conclude that there had been no justification for the detention of eight of the internees.

On October 5, 1945 Mr Frank Forde briefly announced that Mr Justice Clyne's recommendations had been approved, but sought to make excuses for what had happened, exonerated the eight internees Clyn had found to be unjustifiably interned, and stating that they were not disloyal. Compensation would be paid to seven of the men held and to the widow of the eighth, Mrs Dora Watts.

I came to know Dora Watts extremely well some-time after the Second World War, and regarded her as a remarkable woman with a great flair for lucid, philosophical writing. Her articles appeared in League of Rights publications over many years. We discussed the Australia First affair on many occasions and I discovered that she was extremely critical of the way in which Stephensen had run the movement. She agreed, however, that he had been treated in a shockingly unjust manner. For those who believe in the importance of genes, it is interesting to know that Dora Watts was part Jewish, a fact which she never used when charged with "anti-Semitic" writings.

From time to time the smearers have harked back to the Australia First affair and have mentioned Dora Watts as an alleged connection between the League of Rights and the Australia First Movement.

The Clyne Report was debated in the Federal Parliament on March 13, 1946, when Opposition leader Menzies, after a mild criticism of some aspects of the Clyne Report, said that the compensation offered was not adequate. There should be the "closest and fullest" enquiry by a tribunal. Country Party leader

Sir Earle Page said that the outstanding feature of the Australia First affair was that the Labor Government had acted on "manufactured" evidence.

Of the three Opposition leaders who spoke, Country Party Member for Richmond, H.L. Anthony, a very different type of man than his son Doug Anthony, was perhaps the most positive, outlining the ten-point manifesto of The Australian First Movement to show how easy it was for any patriotic Australian to accept it. Country Party Member for New England, J.P. Abbott, commented on Captain Blood, a key person in the internment, decision, as follows, ". . . none of his evidence which was given against the members of the Australia First Movement is worth a damn. He is a tainted witness."

Country Party leader Arthur Fadden, the final speaker, called for the establishment of a commission to assess compensation to cover loss of status and income by the internees. He proposed that the commission be headed by a High Court Judge with both the Government and Opposition represented.

The Fadden proposal was defeated on party lines the next day, following a speech by Dr Evatt in which he continued to insist that the "inner core" of the Australia First Movement was "enthusiastically pro-Japanese, pro-Hitler and Fascist." This was a disgraceful type of comment.

Opposition promises were made to the internees, but were never fulfilled. The Australia First case was barely mentioned during the 1946 election campaign. One of the internees, Mr Keith Bath, a Manly real estate agent, had as a result of his persistent campaign for justice managed to extract a promise in writing from the chief executive officer of the New South Wales Liberal Party, F.R. Burton, that "If the Liberal Party should be returned to power I think the interest Mr Menzies has so far shown in seeing that justice is done in respect to yourself and your colleagues is some assurance that justice will be done." It is interesting to speculate on what would have happened if the Liberals had won the 1946 elections. By the time the Liberal-Country Party Coalition Government came to office in 1949, with a big majority, one of the

applause for an address on literature at the Savage Club, Sydney, Stephensen hoped that he would receive some measure of justice. But to me he appeared to be politically unrealistic. He was an incurable romantic and not a good judge of some people. He did not share my Christian beliefs and we had a number of friendly disagreements.

Although Stephensen left himself open to misunderstanding with views which often swung wildly from one extreme to another, he was beyond doubt a genuine nationalist. I think it is fair to describe Stephensen as an eccentric genius.

Whether or not he was, as some claim, one of Australia's most outstanding men of letters, I am not qualified to assess. But he was no traitor, as Dr Evatt continued to insist — but under parliamentary privilege. Admirers of Dr Evatt rarely if ever mention his role in the Australia First affair.

I have often wondered if the League of Rights would ever have been born if I had suffered the same fate as members of Australia First. Perhaps it was Providence that resulted in George Lee talking to the wrong person about the proposal to have me and my fellow Social Crediters also placed behind barbed wire during a period when Australia was bracing itself for a possible Japanese invasion. One of the pieces of "evidence" used to claim that Stephensen was pro-Japanese, was his claim that the Japanese would not invade Australia. General Douglas MacArthur later expressed the same view!

I had many disagreements with one of the strangest of the Australia First internees, Mr Rud Mills, the Melbourne solicitor, who insisted that Christianity was a major part of a "Jewish conspiracy" against Western man. Mills tried to interest me in Odinism. I first met him after the war when he said he would like to see me. He discussed the writing of a book on the story of the internees, and Stephensen said he placed considerably reliance on this book as a defence of the Australia First internees. I had to say I had no confidence in Mills, whose projected work never appeared. Mills was definitely sympathetic to Nazism, but expressed no opposition to the Allied cause once the Second

World War had started. His only link with the Australia First movement was to send a subscription to *The Publicist* to the Melbourne representative, Leslie Cahill.

A former communist who had become strongly anti-communist, Cahill was of Irish background and I first struck him at Melbourne's famous Yarra Bank, where I had a number of friendly jousts. A colourful rough and tumble character Cahill was prepared to use his fists against those he felt were Communist interjectors. Cahill had disassociated himself from the Australia First months before the arrests were made, and had joined the Armed Forces. He broke with Stephensen because he felt that the situation had completely changed as a result of Australian's declaration of war on Japan. He had urged that the Australia First Movement be closed for the duration of the war.

Cahill was no more disloyal than many others of Irish background who in the early stages of the Second World War were far from enthusiastic about Australia being involved in another war in Europe. Young Catholic intellectuals in Melbourne showed a keen interest in *The Publicist*. Prominent amongst these intellectuals was Mr W.M. Bourke, a solicitor who later became a Member of the House of Representatives and who was expelled from the Labor Party during the famous "split" of 1955.

Mr E. L. Kiernan, of Irish background, the Victorian Legislative Councillor who chaired several meetings for me early in the Second World War, claimed that he had formed an Australia First group consisting of much younger men. Responding to some friendly criticism by the Melbourne Catholic weekly, *The Advocate*, and the short-lived literary journal *Design*, both edited at that time by P.M. O'Leary, *The Publicist* said:

"Although regular writers for *The Publicist* are not Catholics, it has been clear that Catholics have shown a more spontaneous sympathy and understanding for our propaganda than any other section of the community."

It would be interesting to know what all those associated with *The Publicist*, who are still alive today, think of that period in their

political development. While I readily understood the attitude of those who were unenthusiastic about Australia's stand with Great Britain, my own views, as expressed through *The New Times* and on platforms, was that what Hitler stood for had to be defeated. I never felt that those opposed to Australia's involvement in Europe were "disloyal."

The only group committed to sabotaging the war effort were the Communists, at that time backing their ally Adolf Hitler. Mr Phillip Adams, Mr. K.D. Gott and other character assassins might some time research what subsequently happened to the Communists of that period. While members of the Communist Party both Mr Gott and Mr Adams were associating with those who had been guilty of active treachery at a time when the British were struggling to survive. Presumably they found nothing wrong with that.

The last word on the Australia First affair can be left to Mr C.W. Bean, well-known Australian historian of the First World War: "I cannot imagine the Australia First Movement. . . ever constituted any great threat to our safety."

The On-Going Smear

The first League of Rights grew out of the 1946 Referendum, Dr H.V. Evatt's second attempt in two years to persuade the Australian electors to give increased power to Canberra. I had been brought from Victoria to direct the South Australian VOTE NO campaign, backed by leading South Australian professional and industrial leaders. Travelling back to Melbourne on the Overlander I talked with one of the industrialists who had backed the VOTE NO campaign, outlined the League of Rights concept, and asked if he could help finance it. His reply was, "Young man, we appreciate what you did in the recent referendum campaign, but I do not intend to finance a movement which, while only a pup today, could grow up and eventually bite the backside out of my own pants."

During the early days of the League, when anti-Socialism was almost fashionable, the League of Rights, working with many other anti-Socialist groups, was regarded as "respectable". Threatened by bank nationalisation under the Chifley Government, even representatives of the trading banks were prepared to accept League of Rights support and direction. I found myself in the interesting situation where, as Australia's most prominent Social Creditor, with a long record of campaigning for an end to the debt system, I was running training schools for trading bank staff in order that they might more effectively

oppose bank nationalisation. I had to bluntly tell one leading Managing Director of the banks that he and his colleagues were making a major mistake by insisting that they had nothing to do with the Great Depression.

The League's opposition to bank nationalisation was the logical result of its philosophy of opposition to all forms of monopoly. Government monopolies are worse than private monopolies. Further, the League saw bank nationalisation as a further attack upon the Federal Constitution, and an examination of the League's literature of this period shows how all groups threatened with nationalisation, including the doctors, were being advised to unite to defend a constitution which acted as a barrier to excessive centralisation of power.

Conventional anti-socialists started to look askance at the League when during the 1951 referendum to outlaw Communism held by the Menzies Government, The League of Rights recommended a NO vote, stressing that not even the attempt to suppress the Communist Party justified granting vast, and, to a great extent, unspecified powers to the Federal Government.

The Communist press kept sniping away at the League, but there were no public national attacks, which developed later. League speakers received a large number of invitations to address a wide variety of audiences. However, there was obvious concern in some quarters when I became a feature writer on national and international affairs for the Melbourne morning paper, *The Argus*, under the editorship of Sir Errol Knox. Sir Errol Knox told me that he was coming under progressively greater pressure about my articles.

On May 1, 1949, *The Argus* started publishing a series of weekly articles based on one of the League of Rights' basic study courses. The articles caused widespread interest, with groups and individuals using the material for study purposes. The seventh and last article was to have been published on July 2, as stated in *The Argus* the previous week. But the last article was suppressed, this coinciding with the take over of this conservative morning paper by

the English Socialist *Daily Mirror*.

The Argus was eventually closed down.

In 1958 I found myself featured in the Melbourne media as the result of a motion I moved at the Melbourne Anglican Synod concerning Christianity and education. I was bitterly attacked by some for my claim that modern education was tending to turn out what I described as "technical barbarians". The essence of my address was a plea for natural justice for Christian Schools, and a stress on the importance of interesting the young in the humanities. I was strongly supported at the 1958 Melbourne Anglican Synod by the late Rev. Norman Hill, at that time Vicar of St. Marks, Fitzroy, whose close friendship with me and his appearance on League platforms resulted in me being requested by the Archbishop of Melbourne, Dr Frank Woods, to meet with him. He said he had received complaints from some Jews about my activities. My discussion with the Archbishop was inconclusive. I was not favourably impressed.

I was even less impressed with Archbishop Woods the following year when it became clear that there was going to be a major storm concerning a motion I had placed on the notice paper for the 1959 Synod. I proposed a resolution seeking to have the Synod declare that Christianity and Communism were completely incompatible, and that the Synod appoint a Committee to prepare a comprehensive report on the philosophy, strategy and tactics of Communism, and that this report be studied by senior students in all public schools bearing the name of the Church of England. There was also another resolution requesting that the Synod dissociate itself from the Melbourne Peace Congress, to be held in November of that year. Many well-known international personalities, including the English writer, J.B. Priestly, were to attend. Students of Communism warned that the Peace Congress was a Marxist-inspired move, as usual Lenin's "useful innocents" providing the facade behind which the Marxists operated.

The first shot in what proved to be an explosive battle was fired when the Rev. Norman Hill received a letter from a person

purporting to be a "Mrs Margery Browne" of South Yarra, Melbourne, dated August 28, 1959, who wanted details of the membership of the League of Rights "which I would like to join." My suspicions about the purpose of this letter were confirmed when Mr Hill rang me to say that he had received a letter from a "Mrs Peter Browne" stating that she had noticed in reading through *The New Times* that Mr Hill was mentioned as a supporter of the policy of *The New Times*. "That grieves me greatly", wrote Mrs Peter Browne, who wanted to know if Mr Hill really did support ideas put forward in *The New Times*.

Mr Hill proposed to reply, asking for specific examples of what "Mrs Peter Browne" was concerned about, but put the matter aside because of pressure of work. The matter did not appear urgent. However, for reasons which soon became obvious, time was important to "Mrs Peter Browne", who wrote again on September 8, concluding with a veiled threat, suggesting that perhaps the questions might be asked through the columns of the daily press or "shall I address my questions to the Archbishop?" Mr Hill immediately replied, asking for specific examples of policies worrying his correspondent, and received a letter dated September 12 in which my "anti-Semitism" and "hatred" of Negroes was mentioned. Reference was also made to the documents usually described as *The Protocols*.

In his reply to this letter the Rev. Norman Hill stressed that as a Christian he was opposed to hating anyone and that he was primarily concerned with the defence of Christendom. Mr Hill's letter indicated that he knew little about *The Protocols*, except that they outlined a revolutionary programme for destroying Christendom. He expressed no views on who the author or authors of these documents might be.

Mr Hill then received a further letter from "Mrs Peter Browne", stating that "I have sent copies of our correspondence to various members of the press. . . One Sydney paper is so interested that it is sending a reporter to Melbourne to investigate the whole matter." "Mrs Peter Browne" then wrote, "Let us hope that truth will prevail." But there was no hope of truth prevailing

where "Mrs Peter Browne" was concerned. There were no Mrs Browne at the South Yarra address given.

The purpose of "Mrs Browne's" correspondence became clear with the publication of the September 28, 1959, issue of the Sydney fortnightly journal, *Nation*, carrying a two and a half page article entitled THE SECRET LIFE OF ERIC BUTLER, with the subtitle "and Killen the Com." The Killen referred to was the then Mr D.J. Killen, recently elected Liberal Member for Moreton, Queensland. The *Nation* article was written by "The Melbourne Spy", generally believed to have been Mr Cyril Pearl, whose style was similar to that of Mr Philip Adams. The *Nation* smear became a type of standard weapon in the anti-Butler campaign for years to come, and even now is occasionally mentioned. It was quickly brought to the attention of Archbishop Woods, who immediately sent me an appealing letter about the coming Synod. He was afraid of a repeat of the type of publicity which my 1958 address had attracted. I immediately rang the Archbishop and asked him what did he want me to do. Would he prefer that I not speak at the Synod? An obviously embarrassed Dr Woods said that he did not want to appear to be curtailing freedom of speech. But would I be careful not to be too provocative?

Members of Synod were supplied with the *Nation* article, as were the press. I refused to be interviewed on the article, while the good sense of members of Synod ensured that even those opposing me made no attempt to attack me personally, thus denying the media the sensational story they eagerly anticipated.

The Synod's rejection of the proposal to send a delegate to the Peace Congress, and the thorough exposure of the Communist influence behind the Congress, had immediate and widespread repercussions. Other Christian groups followed the Synod lead. The Communist press bitterly attacked the Synod resolutions on Communism and republished extracts from the *Nation* article, "exposing" me as the person primarily responsible for these anti-Communist moves.

The *Nation* material was also quoted in many other papers. A columnist for *The Australian Jewish News*, "Mivakeer" urged his

readers on October 9, 1959, to "read the latest issue of *Nation*. . . you will learn a great deal about the activities of Eric Butler. . . It does not make a pretty story and when he was elected President of Eltham Shire and to the Anglican Synod. . . I had misgivings."

A determined attempt was made to prevent my election as President of the Eltham Shire in 1958. Some of the hysterical comment in the Melbourne Jewish press at the time of my election suggested that I could and might launch a pogrom against local Jews! I have never read such fantastic nonsense in my life. I have found that rational discussion with many Jews is virtually impossible. Following a lecture I gave at the Melbourne University in 1947, a public debate was arranged between myself and Mr Judah Waten, then Secretary of the Jewish Council against Facism and Anti-Semitism. Although the Jewish Council was a Communist front, I was unaware that Waten was a Communist, this only becoming general knowledge at the time of the Victorian Lowe Commission on Communism. During my debate with Waten I was astonished to learn that I had advocated sending all Jews to concentration camps in Central Australia, leaving them there to die! In answer to a question, Waten said the evidence for his statement would be found in *The New Times*!

In a discussion at the Melbourne University, I found it almost unbelievable that Hugo Wolfson, Senior Lecturer in Political Science at the time, could seriously charge that people like myself are psychologically preparing people for the day when they will be prepared to kill all Jews. Wolfson flatly contradicted my statement that the West German Government had issued a report in the form of a White Paper on the world-wide swastika campaign of early 1960, in which it was stated that the Communists were responsible for the campaign. Just prior to my discussion with Wolfson, the *Nation* article was distributed to all those present.

Shortly following the establishment of The Australian League of Rights, the League's influence started to extend internationally. Starting in 1962, when I visited the United Kingdom to campaign against the proposed British entry into the Common Market,

I was making annual visits to all parts of the English-speaking world, including South Africa and the United States. I was for some time Far Eastern correspondent for the monthly magazine, *American Opinion*, run by the John Birch Society. As I was far from pleased by the manner in which my material was being edited and added to, I was relieved when as a result of an attack by the Anti-Defamation League, the organisation which presented Mr Malcolm Fraser with a special award for his role in combatting "racism" in Rhodesia, *American Opinion* decided that they could not afford to have their pages sullied with the writings of "one of the world's most dangerous anti-Semites."

A sensational Canadian tour of 1964, conducted in association with Mr Patrick Walsh, former under-cover agent with the Royal Canadian Mounted Police, saw Zionist-Communist collaboration in events which eventually led to my activities being discussed in the Canadian House of Commons. According to the Communist press, what was feared was the development of a League of Rights type of grass-roots organisation.

The publication of K.D. Gott's *Voice of Hate* in 1965 indicated a new and more determined attempt to offset the League's continuing influence. By 1970 the League was firmly established in the United Kingdom, Canada and New Zealand. It co-ordinated an international campaign in defence of the Rhodesian independence stand, one article of mine on the global strategic importance of Rhodesia being translated into many languages having an estimated circulation of six million. Federal Opposition leader Gough Whitlam attacked my pro-Rhodesian activities in the Federal Parliament and suggested that I should be deprived of my passport to prevent further visits to Rhodesia.

As Australia moved towards the 1970s, with a deepening rural crisis and a Liberal-Country party Coalition in its death throes, the League experienced a nationally co-ordinated smear campaign which again saw the Zionists and Communists operating almost as one. Superficially sensational "disclosures" by Mr Mike Richards in articles published in *The Age*, Melbourne, and *The Sydney Morning Herald*, were subsequently republished by the Victorian

Jewish Board of Deputies.

What appeared to be worrying the League's enemies more than anything, was its growing influence throughout rural Australia. This is where Phillip Adams says he fears the establishment of a "fascist" movement.

Country Party Lured Into Political Booby Trap

As the rural crisis developed late in the 'sixties and early 'seventies, the League of Rights found itself attempting to meet the many requests for meetings and advice from desperate members of the rural communities. The packed meetings and almost non-stop League schools reminded me of the first two years of the Second World War. Nothing had changed basically, except that now spokesmen for the Federal National Party, men like Mr Doug Anthony, and representatives of rural industries, Sir William Gunn, were preaching the doctrine of "get-big-or-get-out", which meant in essence that there had to be a decline in the number of primary producers. I pointed out that the social as well as economic implications of the get-bigger philosophy would be disastrous for the whole nation. The traditional family farm was threatened.

The National impact of the League's campaigning, which concentrated upon attacking the cost-price squeeze, and advocating a financial policy of long-term low interest loans and a restoration of consumer discounts, started to ring alarm bells in the most unsuspected quarters. The Marxists openly admitted the danger from their point of view, prominent Communist W. Gollan urging in *The Tribune* of July 28, 1971, that the Communist party had to free itself from dissension and sabotage, "a task made all the more important and urgent by the growth of the neo-fascist Australian

League of Rights."

Those who do not believe in conspiracies, who apparently believe that events in human affairs happen merely as a result of chance, find it difficult to grasp that a network of Marxist influence has been developed to the stage where a nationally orchestrated campaign can be conducted through the media, all the political parties, the Universities and the Churches, with the great majority involved being "useful innocents" who act as conductors of carefully fostered falsehoods or, on many occasions, half-truths. "Progressive education" and the mass media have been successful in fostering a number of widely accepted myths, such as that Governor-General Sir John Kerr "dictatorially sacked the democratically elected government of Mr Gough Whitlam in 1975." To add a little spice to the myth, the American C.I.A. allegedly were responsible for the "sacking". The truth is, of course, that because one properly elected part of the Federal Parliament, the Senate, refused to grant Supply to Mr Whitlam's Government, with that government then threatening to govern without Supply being granted in the normal manner, Sir John Kerr used his constitutional powers to have the Australian electors decide if they wanted Mr Whitlam to continue. The Australian electors, not Sir John Kerr, decided Mr Whitlam's political fate.

Rightly or wrongly, foolishly or not, depending upon one's point of view, the Australian electors over whelmingly decided that they had had enough of the Whitlam Government.

There was nothing basically new in what the League of Rights was advocating during the 1969-71 rural crisis. Much of it was to be found in the Australian Country Party's own policy. Many Country Party supporters started to ask why the party did not seek to have its own policies implemented. Senior Members of the Federal Country Party were meeting with League representatives. The National secretary of The Institute of Economic Democracy, Mr Jeremy Lee, Assistant National Director of the League, was invited to speak to the Management Committee of the Queensland Country Party at Brisbane. But like Labor politicians of an earlier era, when a national campaign of anti-League vilification was

launched, with once again special venom being directed against me, Country Party Members who had been sympathetic to the League, started to run for cover. The most sickening case was that of Mr Ralph Hunt, who had not only been a subscriber to *The New Times*, but had made financial contributions. When this fact became known, Mr Hunt prostrated himself in the Federal Parliament, pleading that as a young man he was a political student who subscribed to a number of political journals. One could feel sorry for a party politician who has to act like this. But Mr Hunt went on then to join in the general smear campaign against the League.

Mr Ian Sinclair initially attempted to court the League, but later finished launching an infamous attack during a Pleasant Sunday Afternoon address in Melbourne. All the standard smear terms were used, like "neo-Nazism", "anti-Semitism" and much else.

It was while lecturing in Queensland in June, 1971, that an old friend of long standing in the Labor Party warned me that a national anti-League campaign had been planned and that all political parties would be involved. On June 28 the Central Executive of the Queensland branch of the Australian Labor Party received a special report entitled "proscribed Organisation Activities" in which it was stated that "Mr Butler's SMALL but DANGEROUS League of Rights is so deeply implanted in the lunatic fringes that his virulent Anti-Communist campaign has, as a natural extension, the linking of official Labor with the Communists, anti-semitism and rampant racialism." (Emphasis in original)

This report was circulated to A.L.P. branches and affiliated Unions. It also said that "Australian Labor Party members, all Australians, would do well to be on guard against the poison spread by Mr Butler's League of Rights and allies." The late Sir Raphael Cilento was attacked for supporting the League.

Only eleven days after the meeting of the Central Executive of the Queensland branch of the A.L.P., South Australians were reading a sensational headline on the front page of the Adelaide

morning paper, *The Advertiser*, on July 9, that the South Australian Liberal and Country League had been "secretly infiltrated." The front page story opened as follows: "The Australian League of Rights, the extreme Right-wing movement, was accused last night of secretly infiltrating the L.C.L. in S.A., Mr M.B. Cameron, the newly elected member for Southern in the Legislative Council, made the charge at a meeting of the University of Adelaide's Liberal Club." "Echoing the Queensland A.L.P. report, Mr Cameron referred to the League of Rights as "the lunatic fringe in Australian politics."

Mr Dean Jaensch, lecturer in politics at the University of Adelaide was contacted by *The Advertiser* to give his views on the League. He obliged by describing the League as "anti-Semitic, racialist and patterned on the John Birch Society in the U.S." Jaensch claimed he had been studying the League and concluded that the League was using the Country Party as a "front" for the conservative wing of the LCL.

Not content with the sensational charges of Mr Martin Cameron and Mr Dean Jaensch, *The Advertiser* felt that the views of the Left-wing Federal A.L.P. Member, Mr Clyde Cameron should also be publicised. Mr Clyde Cameron made the type of outrageous charges for which he was well known. He claimed that many influential members of the Liberal Party were sympathetic to the League and that the League had arranged trips to South Africa and Rhodesia for these members. Clyde Cameron even said that he strongly suspected "that the Nazi Party is linked with the League of Rights."

Only four weeks later, Federal Country Party leader Mr Doug Anthony, speaking at the annual conference of the South Australian Country Party, was repeating in essence what Mr Clyde Cameron was saying. *The Advertiser* of August 7, 1971, quoted Mr Anthony as saying that "the League had tended to be anti-Semitic, pro-Nazi and racialistic in the past." It was significant that Mr Anthony began his attack on the League by stating that he wanted to make it clear that "a rather extravagant claim" by Mr Clyde Cameron, that the Country Party was a creature of the League, was

quite wrong.

Not noted as a deep thinker, Mr Doug Anthony had fallen into a political booby trap designed to produce a reaction which could be used to further the nation-wide anti-League of Rights campaign. Doug Anthony's charge of "pro-Nazism" produced a storm of protest from large numbers of League of Rights supporters who were ex-servicemen, some of them highly decorated during the Second World War.

I wrote at length to Mr Anthony, suggesting that the Country Party was being led into a dangerous political trap by attacking the League. I provided some indication of the background of the anti-League campaign, suggesting that any reasoned criticism of the League's financial policies could surely be made "without parroting political swear terms which the Marxists have been using for years." I invited Anthony to withdraw his allegations, stating that "If you refuse to do this it will be a serious reflection upon your decency."

Mr Doug Anthony responded to my private and conciliatory approach with a terse two paragraph letter, stating "I remain unconvinced that the comments I have made about the League of Rights are incorrect, and can see no useful purpose being served by entering into correspondence with you on the matter." However, a flood of letters of protest from League supporters who were ex-servicemen forced him to modify his attitude. He eventually admitted that his description of the League as a "Nazi-type" organisation was "inappropriate". Needless to say, the media which had publicised his allegations about the League never publicised his retraction, one result being that the original charge is repeated whenever the smearers are having one of their periodic campaigns against the League.

Many of Anthony's Country Party colleagues made it clear that while they might disagree with League of Rights financial policies, they wished to dissociate themselves from the smear.

Typical of the reaction of some Country Party Members was that of Doug Anthony's colleague, Mr Peter Nixon, at that time representing Gippsland. In answer to a letter from an elector asking

him if he supported allegations of pro-Nazism, Mr Nixon said:

"I have never thought of the League of Rights in the manner asked in your question. Nor do I consider for one moment that you would have any association with the National Socialist Party. I have always adopted the view that members of the League of Rights are entitled — as are members of any other organisation, to join, and take part in Country Party activities if it is their decision."

Following upon a series of big public meetings in Southern Queensland, calling upon the Country Party to dissociate itself from the smearing of the League, the State Management Committee of the Queensland Country Party did this on August 27, 1971. *The Brisbane Courier-Mail* of August 28, reported that "The party's State President, (Mr R.L. Sparkes) moved successfully to dissociate the party from the Nazi allegation." The report continued, "Many senior Country Party members are known to be concerned at the support the League is receiving for its economic policies based on the principle of unlimited credit." The League has never advocated the issue of "unlimited credit", but a credit policy reflecting economic realities.

A major feature of the Country Party's smear campaign was the preparation and distribution of a "Confidential" report on the League of Rights prepared by The Australian Country Party Secretariat, dated July 28th. It quoted from *The Voices of Hate*. Doug Anthony's South Australian outburst against the League took place 10 days later and reflected the major theme of the report.

Over a life time of studying subversion I have never ceased to be astonished at the ease with which pro-Marxists have been able to use "conservatives" to further their propaganda. During the 1984 anti-League campaign, the major issue being Aboriginal Land Rights, at least one Victorian National Party Member used the anti-League material of Adams and Gott.

In acting as a vehicle for the anti-League smear, Mr Anthony overlooked what one of his own political colleagues had said six years previously. In a letter dated December 17, 1965, the then

Commonwealth Attorney-General, the Hon. R.M. Snedden, wrote as follows to a number of people asking about the Australian League of Rights:

"The Australian League of Rights exists in all States and has its headquarters in Victoria. The basic aims of the League are stated: 'Loyalty to the Crown'. 'Support of constitutional government.' 'Opposition to all forms of totalitarianism, particularly Communism.' There is no evidence to suggest that the Australian League of Rights is other than a reputable organisation."

This clear-cut statement was made on the basis of a report from Australia's Intelligence Security Organisation. Under the guise of academic research, at least one critic of mine, from Monash University, Victoria, was able to gain access to my military record, but discovered nothing which could be used against me. One aspect of the military report I found rather amusing, a criticism that at a Sydney school I had not been forceful enough as a lecturer.

Following the initial 1971 attack on the League of Rights in South Australia, *The Advertiser* was swamped with letters supporting the League. One of the most significant came from Mrs Anne Neill, the remarkable woman who served Australia for some years as an under-cover agent for ASIO, even visiting the Soviet Union at great personal risk.

Mrs Neill wrote in *The Advertiser* of July 14, 1971, as follows:

"Sir, I worked for the Australian Intelligence Security Organisation for some years, during which time I was a member of the Australian Communist Party. Without that experience I would not have a complete understanding of what the Australian League of Rights is trying to do and would not be in a position to come to its defence.

"For ten years I have been doing my best to warn my fellow Australians regarding the Communist conspiracy. When reports came back to me that not only members of my own political party, the LCL, were not in complete agreement with me, but that a smear campaign against me was started by

certain church leaders, I felt isolated. At this time I came in contact with the Australian League of Rights. Here was the one organisation the leaders of which had any real understanding of Communism and its ultimate objectives. Here I found people completely aware of what was happening in Australia, as well as internationally. I met the State Director (Mr Frank Bawden) and the National Director (Mr Eric Butler) and what loyal friendship and understanding I have had, not only from these two leaders, but from hundreds of League members I have met over the years. . .

"I wish the members of my own political party had half the knowledge about the world situation that most Australian League of Rights members have."

In opening the League of Rights' Annual National Seminar in Melbourne on September 18, 1971, the Hon. Sir Reginald Sholl, former Justice of the Victorian Supreme Court, and former Australian Consul-General to New York, U.S.A. said:

". . . I have known the organisation, and its Director, Mr Butler, for many years as persons who have kept themselves well informed about the theory and practice of world Communism, and who have had the courage to ascertain and attack subversive activities in industry, politics, literature, broadcasting and other fields in this country. Hence I should take some recent attacks on the League in some news media and in Parliament with several grains of salt, for those who attack subversives are often attacked in return."

As the Q.C. assisting the Victorian Lowe Royal Commission into Communism, Sir Reginald Sholl was, as he often said, able to make an in-depth study of all aspects of Marxism-Leninism. As a fellow member of the Melbourne Anglican Synod in 1959, Sir Reginald Sholl provided powerful support for the motion I moved concerning Communism. It is appropriate to record that the Chief Justice of the Victorian Supreme Court, Sir Edmund Herring, also let it be known that he desired my motion to be carried. Sir Edmund was a good friend of the League of Rights and, even when Lieutenant-Governor, was always prepared to lend quiet support.

Presumably this distinguished Australian was not able to discover the subversive activities in which Mr K.D. Gott, Mr Phillip Adams and others claim I have been engaged in.

The Whitlam years saw a much more modified attitude towards the League of Rights by many Members of the Liberal and Country parties. In its defence of traditional institutions and opposition to programmes for the further centralisation of power, the League was demonstrating that it was the most influential grass-roots movement in Australia. Even Mr Malcolm Fraser was pleased to meet with me privately early in 1975 to discuss at length the Australian situation. This was before Mr Fraser took the leadership of the Liberal Party from Mr Billy Snedden. Clearly he was interested in all the support he could obtain. At the conclusion of my lengthy discussion with Malcolm Fraser I immediately wrote a report of my impressions, concluding that I had no confidence in the man.

Early in 1976 I issued an Open Letter in which I predicted that the Fraser Government was on a disaster course. The seven years of the Fraser Government were perhaps the most disastrous in Australian history, during which a government masquerading as conservative, laid the ground work, both nationally and internationally, upon which a Hawke Socialist Government is building. It was the Fraser Government which set in motion the disastrous and divisive Aboriginal Land Rights movement. The same government readily adopted the United Nations conventions which led to the historic High Court decisions that, in essence, a Federal Government can, under the External Powers of the Constitution, enter into international conventions and agreements and then legislate nationally to give effect to these agreements. It was Dr Evatt who was one of the pioneers of the concept of using international agreements to increase the powers of the Federal Government without consulting the people at a referendum. When I warned about this forty years ago, many flatly refused to believe that Australians would ever accept the subversion of their Constitution as proposed by Dr Evatt and fellow Socialists. They overlooked the Fabian dogma concerning the "inevitability of

gradualness.”

One of the Fraser Government's most disastrous foreign policies was that which played a major part in the destruction of Rhodesia, and the handing over of a country which offered so much to its blacks, to Marxist Mugabe, who maintains control with the aid of the notorious North Korean-trained Fifth Brigade. Zimbabwe, as it is now known, has progressively disintegrated, with those whites who can, fleeing in their tens of thousands, and Mugabe bluntly stating his aim is a one-party State. Even while Zimbabwe was following the same bloodstained path of so many other African States, Malcolm Fraser kept on insisting that the Mugabe Government was being successful.

The Fraser Government played a major part in breaking down Australia's traditional immigration policies Mr Malcolm Fraser displayed an almost childish pettiness by insisting that in keeping with his anti-South African phobia, Qantas should not be allowed to fly into Johannesburg, but must fly into Zimbabwe. This “moral” stance results in the majority of Qantas passengers boarding a South African airline in Zimbabwe so that they can reach their South African destination.

In the meantime African States fly their planes direct into Johannesburg, obviously not concerned about moral contamination.

Socialist Prime Minister Hawke has often eulogised the foreign policies of his “conservative” predecessor.

DLP Journal Joins The Smear Campaign

The extent of the 1971 anti-League smear campaign may be judged by the fact that even the Democratic Labor Party's monthly journal, *Focus*, was drawn in. In its October issue *Focus* distinguished itself with one of the most vicious and unfactual of the attacks on the League. The *Focus* article started by stating that "Mr Anthony is right in pointing up the history of outright bigotry with which the League has been associated." Then the article proceeded to a personal attack on me. "In the six years preceding the war he had written consistent pro-Nazi rubbish in his journal, *New Times*. Mr Butler also wrote supporting Japanese aggression against China, which was to put the Japanese military on the warpath which was eventually to involve them in hostilities with Australia." After a vile allegation about the League's "racial bigotry", *Focus* equated the League of Rights with the Communists. It continued, "the League of Rights. . . continues to promote violently racist and bigoted literature including Nazi material. . ."

The author of the *Focus* article cleverly introduced the sectarian issue by a reference to the "protestant Christian" "public face" of the League. It was about this time that there appeared in print allegations that the League was anti-Roman Catholic, these designed to influence the DLP's main body of supporters, Roman

Catholics. Although I could not claim a close personal relationship with the late Archbishop Mannix of Melbourne, his door was always open to me and my colleagues. He was as I have said, a regular subscriber to *The New Times* from its inception and prior to a nation-wide tour I conducted in 1955, he was kind enough to write me the following personal letter, dated June 2 of that year:

“Dear Mr Butler,

I am well aware of the strenuous fight that you and your League have made against sectarianism and communism in the recent Victorian election. I am most grateful that an Anglican like you should in difficult circumstances thrown in your lot with Catholics when the fight against Communism was unfortunately left almost entirely to them.

“I understand you are making a tour of N.S.W. and Queensland. I wish you every success. I do not think you will need any introduction, but if this note were to serve as an introduction to any one whom you wish to meet, I should be much gratified..

“With best wishes, I am

“Sincerely yours,

D Mannix.”

Perhaps the most widely distributed piece of literature during the 1955 Victorian State Elections, following the famous “split” in the Labor Party was a brochure entitled, “AN ANGLICAN VICAR LOOKS AT THE VICTORIAN ELECTIONS”, some 300,000 copies being distributed. The author was the late Rev. Norman Hill, at that time Vicar of St. Marks, Fitzroy. I drafted the brochure for Mr Hill and it appeared under the auspices of the Victorian League of Rights. Subsequently I made arrangements for the League’s printers to supply quantities to Mr Frank McManus, later to become DLP Senator and his colleagues for campaigning purposes. League supporters co-operated wherever possible in the battle against Communists inside the Trade Union movement.

My relations with Dr Mannix’s successor, the late Archbishop Simmonds, were warm and friendly. He was one of the first

subscribers to the League's monthly, *Intelligence Survey*. I regarded Archbishop Simmonds as one of the most outstanding exponents of Natural Law philosophy I have ever met. He strongly supported me on several major issues.

Up until the time of the Petrov Affair many of those later formed the DLP were supporting Dr Evatt. There is little doubt that if it had not been for the Petrov affair Dr Evatt would probably have won the 1954 Federal Elections with a substantial majority. However, such was the low electoral standing of the Menzies-Fadden Government that Dr Evatt still came close to winning Government. The League of Rights had set in motion a long-term election campaign before the Petrov affair broke, concentrating most of its resources in a handful of what were regarded as marginal seats. There was a mass distribution of a little booklet on Dr Evatt's background which many Liberal and Country party supporters refused to handle because they felt it was "too extreme"!

A post-election analysis showed that in those electorates in which the League and its associates had conducted special campaigns, there had been a sufficient swing against Labor to ensure defeat.

14

The "Anti-Semitic" Smear

Students of psycho-political warfare understand how the original meaning of words has often been perverted, while other words are used, not to convey a concept of reality, but to make rational discussion impossible. By constant perversion the term "discrimination" has been turned into one of abuse. Discrimination is a natural law and all forms of life discriminate in favour of themselves. Discrimination requires the making of choices. At one time "a person of discrimination" was looked up to. "Racism" is another blatantly political swear word. When a person is called a "Racist" this means that he is automatically assumed to be guilty of some evil and that there is no basis for any discussion about what a person may have said.

In a new anti-League national campaign launched in May, 1985, Mr Isi Leibler, prominent Zionist spokesman, claimed in a brochure issued to all the media, that the League was attempting to foment hatred against Aborigines and Asians, stating that the League of Rights has said that Asians are "inferior" to Europeans. The League has never fostered hatred against any group of people, and believes that every individual, irrespective of ethnic background, has value in the sight of God. One of the legacies of the French Revolution, the equality dogma, disputes the reality of the uniqueness of each individual and the many differences between racial groups. Equality means no quality. Christians who

preach the doctrine of equality are surrendering to a view for which there is no evidence in *The New Testament*.

Pope Leo XIII, in *Humanum Genus*, said:

“No one doubts that all men are equal in regard to their being of the same race and nature and having the same final end to be attained by each, and as far as the right and duties that follow from that end are concerned. But as they are not all equally gifted, as they differ in qualities of mind and body, and as there exists amongst them almost innumerable distinctions of manners, tastes, and characters, nothing is so repugnant to reason as to wish to apply the same measure to all and to introduce a strict mathematical equality into the regulation of civil life.”

The League of Rights has opposed the policy of multi-racialism and multi-culturalism, not because it believes that, for example, Asians and Africans are inferior or superior to Europeans, but because such a policy must fragment Australia as it has fragmented other countries. It is the natural right of all nations to select the type of migrants they think will cause the minimum of friction. I have never met an Australian who finds it offensive or “racist” that the Japanese impose one of the strictest immigration policies in the world and that Malaysia does likewise.

Coinciding with the national debate on Aboriginal Land Rights during 1984, the immigration question generated a new intensity with the warnings of well-known historian, Professor Geoffrey Blainey. The Marxists have long campaigned against the traditional Australian immigration policy of maintaining, as far as possible, a homogeneous nation, so it was not surprising that the Marxists along with Left-wing radicals and totalitarian University academics united in a campaign of both violence and denigration of Professor Blainey.

But Zionist leader Isi Leibler also intervened to criticise all those opposed to the policy of attempting to make Australia a multi-racial nation. Victorian RSL spokesman Bruce Ruxton, who had also consistently opposed the multi-racial policy and multi-

culturalism, was also criticised. Leibler had no answer to the question of why the Zionist State of Israel has such a discriminatory immigration policy that non-Jews are not welcomed. He did not explain why he supports a policy for Australia which he rejects for Israel.

The "anti-Semitic" smear is one of the most widely used by the psycho-political operators. A realistic definition of the term is difficult to establish, one reason being that the great majority of people described today as Jews are of non-Semitic background. One of the most destabilising myths of this century is the claim that the Jews are the descendants of the "Chosen People" of Biblical times, and that the creation of the Zionist State of Israel is a fulfilment of prophecy. This myth has completely neutralised large numbers of Christians into accepting the establishment of Israel with a bloody campaign of terrorism backed by the Soviet strategists, and its subsequent expansionist programmes. As predicted by the Soviet strategists, the establishment of Israel has destabilised the vital Middle East. It has resulted in the creation of one of the most disastrous refugee problems of this century, that of the dispossessed Palestinians, who have provided the fertile soil in which Communist-backed terrorist movements have flourished.

The subject of Jewish history highlights the problems of written history. The historian can be selective to the point where he can present a version in conformity with his own pre-determined viewpoint. Anyone who cares to consult *The Jewish Encyclopaedia* will find five pages devoted to the history of the Khazars, an Asiatic-Mongoloid people, whose King Bulan adopted Judaism as the official State religion in the seventh century. After the dispersal of the Khazar kingdom the Judaised Khazars originally spread into Russia and eastern Europe and from there into Western Europe. Known as the Askenazism Jews, this non-Semitic group provided the leading figures of both the Communist and Zionist movements. They are the dominating group in Israel and there has been constant friction with the minority Sephardims, who can claim a Semitic background.

Although a number of Jewish writers, men like the Christian

convert Benjamin H. Freedman, have sought to expose the myth about modern Jews being able to trace their origins back to Biblical times, it was only with the publication of *The Thirteenth Tribe* by Arthur Koestler in 1976, that the subject became known generally through much of the world's media. Koestler's standing, and his Jewish background, ensured that there was widespread discussion. A reading of the Zionist-dominated press is revealing. Every tactic was used to smear Koestler. It became difficult to obtain *The Thirteenth Tribe*. And when Koestler committed suicide the eulogies in the Zionist press around the world almost completely ignored *The Thirteenth Tribe*. This is an example of Orwell's description of the "Ministry of Truth" in his book, 1984. The "Ministry of Truth" rewrites history, whole people going "down the memory hole". Orwell was also described as "anti-Semitic" because he obviously had serious doubts about Zionist propaganda. He queried the story about gas chambers being used to liquidate Jews in Poland.

The absurdity of the "anti-Semitic" smear has been demonstrated by the Zionist charge that even anti-Zionist Jews are "anti-Semitic"! The Soviet Union has a long record of attempting to exploit the "anti-Semitic" smear. There is carefully documented evidence of Communist-initiated acts of swastika-daubing on synagogues and similar threats to Jews. Those interested in this subject can consult, for example, Barron's work on the KGB. But the Zionists have also been responsible for fostering fear among Jews. If "anti-Semitism" is defined as a deliberate policy of creating fear among the Jewish people, the Zionists are themselves "anti-Semitic".

As a Christian-oriented organisation, The League of Rights completely rejects the encouragement of hatred in human affairs, believing it to be self-destructive. Why should a service movement, not concerned with seeking power, want to be fostering "hatred" of Jews or anyone else? In making such allegations Mr Isi Leibler demonstrates he is a victim of his own delusions. What possible *motive* could the League of Rights have for, according to Leibler, hiding behind a conservative image, supporting traditional

Australian institutions and culture, in order to foster hatred of Jews? Irrespective of what Hitler said and did about Jews, comparing the League of Rights with Hitler is grossly dishonest, as the League's philosophy is completely opposite to that of Hitler's. Hitler had a *motive* for stressing the "Jewish Question": he sought power, and he knew that following the post-First World War inflation there was a widespread German antagonism to the Jews who, rightly or wrongly, were seen as the main beneficiaries of an inflation which ruined the German middle classes.

From its beginning Political Zionism has sought to prevent Jews from joining the mainstream of Civilisation, which was progressively taking place. Initially the main opposition to Political Zionism, with its roots amongst the Jews of Russian and Eastern Europe, came from Westernised Jews, who saw themselves as loyal Englishmen, Frenchmen or Americans. A well-known American Jewish leader, Henry Morgenthau Sr., described Political Zionism as the most "stupendous fallacy" in the history of the Jewish people. Australia's first native Governor-General, Sir Isaac Isaacs, made similar criticism and was violently attacked by the Zionists.

Mr Sussman of the anti-Zionist American Council of Judaism, as quoted in Moshe Menuhin's classic, *The Decadence of Judaism in Our Times*, observed that "The Zionist Movement wants to picture Jews constantly in trouble. But 'trouble' must be of a particular kind. It must be 'Jewish' trouble. It must fit the pattern of inevitable anti-Semitism just as surely as the 'inevitable' class war fits classic Marxism."

In *Other Side of the Coin* (1965) Dr. Alfred Lilienthal devotes considerable space to Zionist-fostered "anti-Semitism", and quotes the following very candid advice given in *Davar*, the official journal of the Mapai, former Israel Prime Minister Ben Gurion's party; "I shall not be ashamed to confess that, if I had the power, as I have the will, I would select a score of efficient young men. . . and I would send them to the countries where Jews are absorbed in sinful self-satisfaction. The task of these young men would be to disguise themselves as non-Jews, and plague Jews with anti-Semitic slogans, such as 'Bloody Jew', 'Jews go to Palestine',

and similar intimacies! I can vouch that the results in terms of considerable immigration to Israel from these countries would be ten thousand times larger than the results brought by thousands of emissaries who have been preaching for decades to deaf ears."

As predicted by Jewish opponents of Political Zionism, this movement has been a major disaster for the Jewish people. Zionism has sought to return the Jewish people to the ghetto mentality from which they were escaping. Large numbers of Christians have also become victims of the Zionist fallacy, being persuaded that the creation of the State of Israel was fulfilling God's plans, even though it was the result of a Soviet-Zionist strategy which drove the Palestinians out of the land they had lived in for centuries, generally in harmony with the small number of Semitic Jews.

Political Zionism has generated the very "anti-Semitism" which the Zionists have exploited, primarily to keep the rank and file of Jews in a state of perpetual anxiety. So far from feeling any hatred towards Jews, informed Christians regret that they are not only spiritually enslaved, but are the victims of a form of collective sickness. Those who have exposed the exaggerated claims of Zionists concerning the Second World War, are falsely charged with doing so in order to "whitewash" Hitler and Nazi Germany. The critics of those who seek to search for truth overlook the fact that to deliberately foster hate of what allegedly happened half a century ago, is a type of madness. How can Christians who profess to accept the law of love condone a movement which elevates never-ending hate into a religion?

Not only the Zionists have exaggerated losses for the purposes of psychological warfare; the Soviet has done the same with its repeated claim that 20 million Russians died in the defeat of Nazi Germany. This repeated claim has been uncritically accepted in the West, influencing many people to believe that the Soviet's allegedly astronomical losses explains why the Soviet maintains its iron grip on Eastern Europe. It is claimed that the Soviet remains "fearful" of another invasion from the West. Some even believe that the Soviet must be genuine in its peace campaigns

because of the claims about the 20 million Russian casualties.

As pointed out by Polish Resistance leader, Major Alojzy Dziura-Dziurski, in his book, *Freedom Fighter*, (1983) it is doubtful if any people suffered greater casualties than the Poles, who were the first victims of the Second World War and were sacrificed by the West at Yalta. But the Polish "holocaust" is not publicised.

The twentieth century has been one of violence and destruction on a mass scale. No civilised person can be other than ashamed by the many acts of man's inhumanity to man, particularly among Western Christian peoples. No one can say with certainty how many millions have perished in the Soviet Union since 1920. Solzhenitsyn paints a chilling picture. But Solzhenitsyn has never preached that a hymn of hate should be sung indefinitely against Stalin and his Marxist colleagues. The lessons of Marxism in practice should be remembered with a view to freeing the victims of the biggest slave camp in the world. But while the Nazi movement perished nearly half a century ago, Zionist propaganda keeps on fighting the Second World War. *The Australian Jewish News* of May 10, 1985, carried an advertisement for a Seminar on "Fighting Nazism Forty Years Later."

Dreadfully destructive acts took place during the Second World War. The mass bombing of cities resulted in hundreds of thousands of civilians being killed. The Allied bombing of the undefended German city of Dresden at a time when it was packed with refugees fleeing from the advancing Red Army, resulted in a holocaust as destructive as that of the nuclear destruction of Japanese cities. Allied troops taken prisoners of war by the Germans have testified to reasonably civilised treatment. There were, of course isolated acts of barbarism. Conditions in the concentration camps varied, but deteriorated badly towards the end of the war when war destruction made it increasingly difficult to maintain food supplies. Disease was a major problem.

Sir Raphael Cilento was one of those responsible for supervising the much publicised German concentration camp of Belsen after it had been taken over by the British. He insisted that

there were no gas chambers at Belsen, now generally admitted, but that there were quite inadequate crematoriums being used in a desperate attempt to dispose of those who had died from typhus. Large numbers of those in the camp were Germans and non-Jews. Sir Raphael said that he and his colleagues had large numbers of casualties after they took over, such was the incidence of disease.

No revisionist historian has ever claimed that large numbers of Jews did not die during the Second World War. Many were murdered by others, not only by Germans. Large numbers of others died of disease like others in the concentration camps. I agree that even if, as has been suggested, less than one million Jews died of all causes during the Second World War, this was to be deplored. But why must Jewish suffering be constantly elevated over the suffering of others? Australians taken prisoners of war by the Japanese were subjected to the most appalling treatment. Large numbers died on the Burma Railway. Those who survived looked just as shocking as did those who survived Belsen and other concentration camps. What about the barbaric treatment of Australians during the infamous Borneo death march, those who could not keep up being killed by the Japanese? Not one Australian has ever suggested an on-going hate the Japanese campaign. There is no equivalent of "Nazi hunter" Simon Wiesenthal, conducting a permanent campaign to track down all those Japanese who brutally murdered Australian prisoners of war. Hopefully all those who regard themselves as Christians would regard such a proposal as bordering on the blasphemous.

There is no possibility of Jews in Australia being sent to some type of Siberia, being herded into concentration camps or pushed into gas ovens, but the Jews are subjected to a constant stream of propaganda which suggests that another "Holocaust" is likely if they are not constantly reminded of what alleged happened in the past. The Zionist version of the Holocaust has been elevated into a religion which all must believe. In Israel it is a crime even to cast doubt upon the "Holocaust". Attempts have been made to ban books which cast any doubts on the Zionist view of history.

15

Zionist-Nazi Collaboration

While Zionist propagandists charge the League of Rights with being pro-Nazi, they have tried to consign to the "memory hole" evidence of Zionist collaboration with Hitler.

One of the most informed men I have ever met on the subject of Marxism-Leninism and associated subjects was Vladimir Borin, a former senior official of the Czechoslovakian Communist Party, a man who had read Leninism the original and who knew most of the leading figures of the world Communist movement. Borin had visited the Soviet as a top Communist. Borin spent considerable time with me during the years he was in Australia. After his dissolution with Communism he returned to his own country from Moscow in an attempt to start warning the West. But his was an unpopular message at that time. Interned by the British for a period, he turned his attention to the subject of Zionism, which he likened to Communism. He saw it as a conspiracy against the best interests of the Jewish people.

In a letter to me from Sydney, dated July 30, 1958, Borin started by thanking me for sending a copy of anti-Zionist Rabbi Elmer Berger's book, *Who Knows Better* and then said:

"In the essence Berger's booklet does not tell me anything new, for I exposed the foundations and secret aims of the political Zionism in English edition of *Pravda* in July, 1952. . . three years before Berger learnt the truths. Material

for my publication was supplied by a man of Jewish origin, who being shocked by the political Zionism, of which he was a member for 10 years, escaped Palestine and tried to find somebody who would dare to expose publicly the facts.

"I stated in that edition of *Pravda* that both Bolshevism and Zionism were children of Russian nihilistic underground, with the aim to unite the world under their rule. While Lenin tried to impose his rule from Moscow by using the world proletariat, his contemporary colleague Jabotinsky — they studied at the same time at Peterburg University — tried to achieve a similar aim using world Jewry. . .

"In the mentioned edition of *Pravda* I concluded my article as follows: 'Let the Gentiles and Jews combine their efforts against these conspiracies, of which we are all victims. Perish political Zionism! Perish Bolshevism!'

"I explained in the article that both poor Jews and working people, proletarians, are only material being used by ruthless Zionists and Bolshevik ring leaders. . .

"The printer. . . an ardent anti-Communist and Catholic, refused to print this issue of *Pravda*. . ." (*I have corrected Borin's spelling and grammar*).

Borin went on to say that although he did not owe the printer any money, he would not publish any further issues of his monthly, and that he could find no other printers in the United Kingdom prepared to publish.

In 1946 The Victorian League of Rights published Borin's little booklet, *How To Betray Your Country* which dealt with the teachings of the man known as Lovosky, who became the highest interpreter of Marxism-Leninism. Lovosky was one of the four Jews who rallied Stalin after he had retreated from Moscow in a state of shock following Hitler's attack on the Soviet Union. The other Jews were Ehrenburg, Zaslovsky and Kazakievich. Only a few days before the German attack Stalin was telling the Soviet people that they need have no fear of Hitler, who was his good friend.

It was almost certainly the Soviet publicist Ilya Ehrenburg who

was primarily responsible for Stalin's famous speech of July 3, 1941, in which the Soviet dictator sought to rally the Soviet people behind him. The war was not being fought to protect Communism, but to defend "Mother Russia". Even Christianity was invoked.

When the dramatic news broke that the former Nazi official, Eichmann, had been kidnapped in South America and brought to Israel for trial, Borin told me that he was not surprised. Eichmann knew too much about Zionist-Nazi collaboration, he said.

Borin's view had been confirmed by the revelations after the Second World War that a high Israeli official, Dr Israel Kastner, offered Eichmann and other Nazi official inducements to let thousands of young Jews immigrate illegally into Palestine to fight the British. The Kastner case was the result of a Jew from Hungary distributing a pamphlet charging that Kastner had collaborated with the Nazis and had even sacrificed some Jews. Dr Kastner brought a criminal libel action against his accuser, with an Israeli judge bringing down a finding that Kastner had been a collaborator "in the fullest sense of the word."

Eichmann had been greatly influenced by Baron Leopold von Mildenstein of the SS, who had gone to Palestine to study the situation two months after Hitler came to power. Mildenstein had been approached by a prominent Zionist to write a pro-Zionist article for the Nazi press. Mildenstein returned to Germany strongly pro-Zionist, started studying Hebrew and as head of the Jewish Department of the SS's Security Services, was active in propagating the Zionist view. He persuaded Gobbels to run his report on Palestine in *Der Angriff*. Gobbels was so impressed with the Baron's mission to Palestine that he struck a commemorative medal, with the swastika on one side and the Zionist star on the other.

Zionist spokesman, the well-known Rabbi Stephen Wise, a man with a long record of pro-Communism, lamented that Hitler's official recognition of Zionism was a humiliating experience, writing in his journal, *Congress Bulletin*, of January 24, 1936 that:

"Hitlerism is Satan's nationalism. The determination to rid

the German national body of the Jewish element, however, led Hitlerism to discover its 'kinship' with Zionism the Jewish nationalism of liberation. Therefore Zionism became the only other party legalised in the Reich, the Zionist flag the only other flag permitted to fly in Naziland. It was a painful distinction for Zionism to be singled out for favours and privileges by its Satanic counterpart."

A study of Hitler's views on the Jews, starting with those expressed in *Mein Kampf*, shows that Hitler was accepting the Zionist point of view that all Jews should be encouraged to go to Palestine. Zionism provided Hitler with a supporting argument for his view that Jews could not be genuinely loyal Germans. Jews demonstrating against President Reagan laying a wreath in a Germany cemetery in which a few SS troops had been buried, would find it impossible to believe that early in Hitler's Germany, the SS was the most pro-Zionist section of the National Socialist Party.

The name of Heydrich creates today nearly as much loathing as that of Hitler. And yet the same Heydrich had written an article in the official SS journal, *Des Schwarze Korps*, in which he said:

"...We must separate Jews into two categories... the Zionists and those who favour being assimilated. The Zionists adhere to a strict racial position and by emigrating to Palestine they are helping to build their own Jewish State."

The Zionists must have been delighted with Heydrich's warm best wishes:

"The time cannot be far distant when Palestine will again be able to accept its sons who have been lost for a thousand years. Our good wishes together with our official good will, will go with them."

Long forgotten is that one of the results of the outlining of the Nuremberg Laws of September, 1935, was an official expression of pro-Zionism by the National Socialists. One result of these laws was that only two flags were to be permitted to be flown in Hitler's Germany: *the swastika and the Zionist banner*. The National Socialists' pro-Zionism policy was extended with every

encouragement to German Jews to join the Zionists and to encourage emigration to Palestine.

No doubt the Zionist felt that they were exploiting the National Socialists for their own purposes, while the National Socialists feel the same way about the Zionists. But eventually it was Hitler's Germany which was destroyed, while the Zionists achieved their objective of a Jewish State.

Dr Solomon Goldman, Vice-President of the Zionist Palestine Appeal, made a remarkable statement in an address at the Hotel Aster, New York, in 1937:

"Hitler is passing phenomenon, German Jewry would have disappeared in less than a century if Hitler had not come to power."

What the Zionists feared was Jewish assimilation wherever they lived. Sisley Huddleston, the English writer, quotes the "Jewish leader", who told him that:

"When Hitler comes to power I hope he will persecute the Jews — we thrive on persecution." (*In My Times*).

Professor Norman Bentwick, prominent Zionist writer, made the following comment in his book, *The Promised Land (1917-1937)*: "Seen with the eyes of Providence, Hitler was like Cyrus, a divine instrument to bring back to their land Western Jews who could make a contribution of order and method."

Confirmation of Zionist collaboration with the German National Socialists is provided by the well-known Jewish writer, Hannah Arendt, in her book *Eichmann in Jerusalem* (1963). She reveals how in the early days of the Hitler regime the Zionists were the only Jews associating with the German authorities. The Zionists were responsible for the slogan, "Wear the yellow star with pride", as part of the campaign to discredit non-Zionist Jews. The Zionist policy was to exploit the National Socialists' declared anti-Jewish sentiments to make an agreement between the Jewish Agency for Palestine and the Germans for illegal Jewish immigration into Palestine in defiance of British policy. Both the Gestapo and the SS were helpful with this project.

Jewish writer Lenni Brenner in the carefully researched work,

Zionism In The Age Of The Dictators, (1983) traces the strange relationship between Hitler's regime and the Zionists, stating that "They (the Zionists) did not fight Hitler before he came to power, when there was still a chance to beat him, not out of any degree of cowardice, but out of their deepest conviction, which they had inherited from Herzl (one of the founders of Zionism) that anti-Semitism could not be fought. Given their failure to resist during Weimar, and given their race theories, it was inevitable that they would end up the ideological jackals of Nazism."

Zionists entered into trade arrangements with the Hitler regime as a means of getting young German Jews out of Germany into Palestine. Threatened by an international economic boycott, the Hitler regime was pleased to do business on the lines suggested by the Zionists. British Fascist leader Sir Oswald Mosley made capital out of the situation, commenting that "We are cutting off our nose to spite our face and refuse to trade with the Germans in order to defend the poor Jews. The Jews themselves, in their own country, are to continue making profitable dealings with the Germans themselves."

The distinguished Jewish writer, Dr Oscar Levy, drew attention to the similarity between the "Chosen Race" philosophy of many Jews and that of Hitler's racial theories. It was not surprising therefore that the Zionist Jews in Hitler's Germany openly campaigned for an agreement between the National Socialist Government and the Zionists.

An article in the Jewish journal, *Rundschau*, of August 4, 1933, examined the implications of Hitler's victory for the Jews, stressing that race separation would be good for the Jews. The following is the essence of the Zionist view:

"We who live here as a 'foreign race' have to respect racial consciousness and the racial interest of the German people absolutely. This however does not preclude a peaceful living together of people of different racial membership. The smaller the possibility of an undesirable mixture, so much less is there need for 'racial protection.' "

One of the most outstanding of the German Jews expounding

Zionism In The Age Of The Dictators, (1983) traces the strange relationship between Hitler's regime and the Zionists, stating that "They (the Zionists) did not fight Hitler before he came to power, when there was still a chance to beat him, not out of any degree of cowardice, but out of their deepest conviction, which they had inherited from Herzl (one of the founders of Zionism) that anti-Semitism could not be fought. Given their failure to resist during Weimar, and given their race theories, it was inevitable that they would end up the ideological jackals of Nazism."

Zionists entered into trade arrangements with the Hitler regime as a means of getting young German Jews out of Germany into Palestine. Threatened by an international economic boycott, the Hitler regime was pleased to do business on the lines suggested by the Zionists. British Fascist leader Sir Oswald Mosley made capital out of the situation, commenting that "We are cutting off our nose to spite our face and refuse to trade with the Germans in order to defend the poor Jews. The Jews themselves, in their own country, are to continue making profitable dealings with the Germans themselves."

The distinguished Jewish writer, Dr Oscar Levy, drew attention to the similarity between the "Chosen Race" philosophy of many Jews and that of Hitler's racial theories. It was not surprising therefore that the Zionist Jews in Hitler's Germany openly campaigned for an agreement between the National Socialist Government and the Zionists.

An article in the Jewish journal, *Rundschau*, of August 4, 1933, examined the implications of Hitler's victory for the Jews, stressing that race separation would be good for the Jews. The following is the essence of the Zionist view:

"We who live here as a 'foreign race' have to respect racial consciousness and the racial interest of the German people absolutely. This however does not preclude a peaceful living together of people of different racial membership. The smaller the possibility of an undesirable mixture, so much less is there need for 'racial protection.' "

One of the most outstanding of the German Jews expounding

Zionism In The Age Of The Dictators, (1983) traces the strange relationship between Hitler's regime and the Zionists, stating that "They (the Zionists) did not fight Hitler before he came to power, when there was still a chance to beat him, not out of any degree of cowardice, but out of their deepest conviction, which they had inherited from Herzl (one of the founders of Zionism) that anti-Semitism could not be fought. Given their failure to resist during Weimar, and given their race theories, it was inevitable that they would end up the ideological jackals of Nazism."

Zionists entered into trade arrangements with the Hitler regime as a means of getting young German Jews out of Germany into Palestine. Threatened by an international economic boycott, the Hitler regime was pleased to do business on the lines suggested by the Zionists. British Fascist leader Sir Oswald Mosley made capital out of the situation, commenting that "We are cutting off our nose to spite our face and refuse to trade with the Germans in order to defend the poor Jews. The Jews themselves, in their own country, are to continue making profitable dealings with the Germans themselves."

The distinguished Jewish writer, Dr Oscar Levy, drew attention to the similarity between the "Chosen Race" philosophy of many Jews and that of Hitler's racial theories. It was not surprising therefore that the Zionist Jews in Hitler's Germany openly campaigned for an agreement between the National Socialist Government and the Zionists.

An article in the Jewish journal, *Rundschau*, of August 4, 1933, examined the implications of Hitler's victory for the Jews, stressing that race separation would be good for the Jews. The following is the essence of the Zionist view:

"We who live here as a 'foreign race' have to respect racial consciousness and the racial interest of the German people absolutely. This however does not preclude a peaceful living together of people of different racial membership. The smaller the possibility of an undesirable mixture, so much less is there need for 'racial protection.'"

One of the most outstanding of the German Jews expounding

Zionist-Nazi collaboration was Rabbi Joachim Prinz, who left Germany for the U.S.A. in 1927. Some of Prinz' attacks on the alleged characteristics of his fellow Jews exceeded even the criticisms of Nazi propagandists.

Among the long list of Zionists who welcomed Hitler was the Eastern-European Jew Lazare, who had served as a fanatical Hitler propagandist in Vienna before the German invasion, who explained Hitler's motives for the invasion, later became a powerful figure in the Nazi bureaucracy, emerging during the Second World War as the man who directed Nazi propaganda from the German Embassy in Franco's Spain. British Ambassador to Spain, Lord Templewood, drew attention to Lazare's activities, later saying that "By a cunning mixture of brutal dictation and unabashed corruption, he succeeded in making Spanish papers even more venomous than the papers usually published in Germany."

The Zionist view of Hitler was expressed by the well-known biographer, Emil Ludwig, himself a Zionist, in an interview with a fellow Zionist, Meyer Steinglass, when he visited the U.S.A. in 1936:

"Hitler will be forgotten for a few years, but he will have a beautiful monument in Palestine. You know. . . the coming of the Nazis were rather a welcome thing. So many of our German Jews are hovering between the Scylla of assimilation and the Charybdis of a nodding acquaintance with Jewish things. Thousands who seemed to be completely lost to Judaism were brought back to the fold by Hitler, and for that I am personally grateful to him." (Vide *American Jewish Times*, April, 1936)

While Hitler obviously saw his collaboration with both Stalin and the Zionists as part of a longer-range strategy, so did both Stalin and the Zionists see collaboration with Hitler as essential for their long-term programmes. The reality is that Hitler and Nazi Germany were destroyed forty years ago. Both the Soviet and the Zionists emerged from the Second World War with their international power and influence enormously expanded. Both

have a vested interest in "anti-Semitism" and a carefully fostered haunting spectre of Hitler's Germany. Hitler confirmed the Zionist prophecy that he would serve their objective of bringing all Jews under Zionist influence.

As pointed out by a distinguished American Jewish psychohistorian, Dr Howard F. Stein, writing in the Winter, 1980 issue of *The Journal of Historical Review*, "For the Jews, the term 'Holocaust' does not simply denote a single catastrophic era in history. The 'Holocaust' lies at the heart of the Jewish experience of time itself. One is either anxiously awaiting persecution, experiencing persecution, recovering from it, or living in a period that is a temporary reprieve from it.

' "Holocaust" is thus the timeless fabric into which the 1933-45 period is woven. . . Thus the 'reality' of the Holocaust is inextricably part of the myth in which it is woven — and for which myth it serves as further confirmatory evidence for the timeless Jewish theme that the world is in conspiracy to annihilate them one way or another, at least eventually.

"Indeed, the Jewish perception of many of these 'Holocausts' is strikingly synchronous. We can trace the same feature in all of them: 'persecution' by anti-Semites, gassings and or burnings, sexual and toileitary torture and general Jewish suffering and torment. The myths tell us more about the tellers than about the subject characters, for many of these tales are totally to partly fictitious. They do not stand up to scientific examination."

I find it most disturbing to see the never-ending diet of hate and vengeance with which Jews are virtually force fed by the Zionist-dominated press. If generation after generation of Jews are to be subjected to the concept of maintaining a feeling of hate for what allegedly happened nearly fifty years ago, then the Zionists will have achieved their objective of isolating permanently the Jewish people from the main stream of history and of keeping them in a permanent state of fear and anxiety.

16

The Future of the League

In his New Zealand radio interview, mentioned in Chapter 1, and broadcast on February 9, 1985, Mr Phillip Adams was emphatic that I was "a very dangerous man", and mentioned how through television and the press he had been progressively discrediting me.

What Mr Adams has done is to discredit himself. Probably because he felt he was safe in a New Zealand radio interview, Phillip Adams made the slanderous statement that I had been "a solid supporter of the Axis in the early days of the (second) war", and that in some countries I would have been hanged.

As the League is a service movement, not one devoted to gaining power, with not even its most extreme critics suggesting it is planning some type of a military coup, why then is it attacked so consistently and venomously. Every student of psychopolitical warfare knows that in today's world, when there is an orchestrated campaign against a country or a movement through the media, there is a reason for this.

Zionist spokesman Isi Leibler arrogantly states that the League must not be permitted to exercise any influence in what he calls "the mainstream" of Australian politics. He is at one with the Marxists on this subject. It was a League's obvious influence on the Aboriginal land claims issue during 1984 which resulted in Isi Leibler's dramatic arrival at the Victorian State parliament leading a deputation of fellow Zionists, and the demand on the Liberal

Party that none of its Members should be permitted to appear on public platforms with representatives of the League of Rights. The Labor Party later formally agreed that no Member of the Labor Party should appear on the same platform as a League of Rights speaker, not even to explain the Labor Government's policies.

It is outside the scope of this book to examine the type of influence which can be brought to bear upon all parties, which compels its members to protest that they have no association with the League of Rights, even if they agree with the League. The League contents itself with asking commonsense people to make their own investigations and to come to their own conclusions.

I readily concede that many critics of the League genuinely believe that the League must have some type of power motive. These critics reflect the blatant materialism of our times, particularly as it manifests itself in the power struggles inside the political parties, and are incapable of grasping that a movement like the League of Rights can develop with its members primarily concerned about values and service to those values. The League seeks to break up the monopolising of all power by encouraging individuals to develop their own creative initiative.

There may have been a time when the successful smearing of one or two League leaders would have been a major set back to the League's growth. But that is no longer the case. The growth of the League, through its many educational activities, has produced a relatively large number of outstanding individuals from most walks of life. Some of the younger leaders now coming forward are outstanding exponents of the philosophy and principles upon which the League is based. The leadership of the League is in the hands of a growing number covering a wide age scan, with younger League members now being able to draw upon the lifetime experiences of people like myself.

Like previous critics, Phillip Adams mentions the impact of the League in rural communities. Mr K. D. Gott has suggested that members of League demagogues. Like engineers and similar people, members of the rural communities are realists who are little attracted by abstract theories. It is true that the League of

Rights has always drawn relatively greater support from members of the rural community, engineers and smaller business men. There is a good reason for this.

When debt finance, crushing taxation, monetary inflation and centralised power destroyed the independence of the sturdy Roman peasantry, the backbone of the Roman Empire was broken. Stalin knew he could never impose complete totalitarianism until he destroyed the Russian farmers. The future of Australia requires an independent rural Australia. I have always been struck in considering the development of Christian influences on the English social structure, that England combined a tradition of liberty in close association with a deep passion for the land. It was the great lover of rural England, William Cobbett of 1st century, a man who attacked the debt system, who drew attention to the philosophic cleavage which resulted in the surrender of traditional Christian standards to pure economics. The new philosophy divided God from nature and man from both.

I think of the great Shakespeare as an authentic voice of the countryside. Shakespeare was both regional and universal.

Shakespeare's concrete rural warmth of expression, with which his writings abound, are completely different from the abstract, although majestic imagery of his contemporary Christopher Marlowe. Christ's ministry was in a predominantly rural setting and most of his parables related to matters rural.

The League of Rights offers no blueprints or plans for the cure of the evils afflicting mankind. It does not believe that any party or organisation *as such* can prevent the progressive disintegration of Civilisation in the face of a growing centralisation of all power. Regeneration can only start with individuals of sufficient faith and understanding. Regeneration can only develop from individuals through local groups in an organic manner.

The League teaches that the problems of mankind cannot be solved by reason or logic. Logic, like Algebra or any other form of mathematics, is only a mechanism, an instrument. Like the slide rule, it can only produce the result of all the factors fed into it.

Truth must be discovered. This requires genuine humility. The

laws of the Universe, what the early philosophers called the Natural Law, transcend human thinking and if man wishes to live in genuine harmony he should first make every endeavour to discover and to understand those laws, and then to apply them in all spheres — personal, social, government, economic and racial.

Mr Phillip Adams has challenged me to outline Truths which otherwise might not have been revealed. I thank Mr Adams for his invitation to do some recollecting and remind him of Edmund Burke's observation that our strength is increased by those we wrestle against.

[illegible]

DUNKLINGS THE JEWELLERS

REGISTERED OFF-CO

DIAMOND HOUSE
313-317 BOURKE ST MELBOURNE
57 SWANSTON ST

12/3/91

B. J. Butler,
1-10-1945,
House,
SEATTLE

85672

18ct. gold and pure platinum ring
set with one fine quality genuine
diamond

£15:0:0

FCB PAYMENT

17 SEP 1961
LINKING

J. Milne

Receipt for engagement ring provides date when Mr Alex Wilson, M.H.R., told Eric Butler he had decided to bring John Curtin to office.

"EXEMEX"

Clears up Obstinate
Skin Troubles.

Obtainable only from

**RICHARD E.
BROTCHIE,**

45 Brunswick St.,
Eastern Hill, N.6.

Phone: J 1873.

THE NEW TIMES

"CATARRHEX"

Clears Up Catarrh.

A. Nasal.
B. Pulmonary,
C. Stomachic.

Obtainable only from

**RICHARD E.
BROTCHIE,**

45 Brunswick Street,
Eastern Hill, N.6.

Phone: J 1873.

Vol. 6. No. 23.

Registered at the G.P.O., Melbourne, for
Transmission by Post as a Newspaper.

MELBOURN

E, FRIDAY, JUNE 7, 1940.

Every Friday, 3d

How To Win The

A CHALLENGE TO EVERY BRITISH SUBJECT

"Your courage, your resolution, your this-and-that, will not help you if your rulers lose the peace. If they do that, your last state will be worse than your first, the going of the man Hitler will not profit you, your sufferings and your sacrifices and courage in this new war will be in vain, the next twenty years will be even worse than the last. The peace-to-come is even more important than the war, and in your own lives you now have seen what it means to lose a peace, or rather, wantonly to throw away a victory, just from dislike of exertion and of a stitch-in-time, from putting your trust in a burglar out of fear of a bogeyman."

—Douglas Reed, world-famous author of "Insanity Fair" and "Disgrace Abounding," in his latest book, "Nemesis."

"I have two great enemies: the Southern Army in front of me, and the financial institutions in the rear. Of the two, the one in my rear is the greater foe."

—Abraham Lincoln.

War — And Peace

POWER-MANIACS VERSUS PEOPLE

The Underlying Issue

Reprinted from a series of articles appearing in an English contemporary. The author is Major C. H. Douglas.

We have now, perhaps, examined the main features of the contemporary situation sufficiently to obtain an intelligible picture of it.

In essence, it is not difficult to envisage. Out of the fog of the kind of history which Henry Ford described as "bunk," and of propaganda designed to encourage the faith which consists in believing what ain't so, there emerges the outline of a titanic struggle.

swung. I do not believe that national boundaries have, for many centuries at least, been in any sense coterminous with any of these groups, or that to one of them the general well-being of the population has at any time been more than an unavoidable bribe to obtain the necessary acquiescence from national, as distinct from international, "leaders."

Now it may be reiterated that

FINANCIERS INDICTED

“Move to Control World”

Speaker's Assertions at Albury Meeting

At a public meeting in the Town Hall last evening, when Mr. Eric D. Butler, well-known young finance reformer, was the speaker, it was decided almost unanimously to urge the Federal Government to take immediate control of the creation of money for financing the war, in order that a maximum war effort might be achieved without further debt or taxation.

The motion continued: "Apart from the fact that the Constitution states that the Government should control all finance, the Royal Commission on Banking has clearly stated that the Commonwealth Bank, as the central bank of Australia, can be utilised by the Government without saddling the community with debt and resulting taxation."

The motion will be conveyed to Mr. T. Collins, M.H.R.

About 50 people attended the meeting. Cr. J. F. Jelbart, President of the Hume Shire Council, and deputy-president of the Albury and District War Fund, presided. Cr. Jelbart left the meeting after an hour to attend the Patriotic fund play in the Plaza Theatre. Mr. J. King, secretary of the Albury Athletic Club, then took the chair in Cr. Jelbart's stead.

In a two hour address, Mr. Butler alleged that a band of international financiers was moving to obtain control of the world. Federal Union was the personification of their objects. They would have the separate peoples of the world abandon their sovereignty, and place themselves under the control of this group with its army, air force and navy behind it. They would force the people back to the gold stan-

dard; and as America possessed the greater proportion of the gold in the world, America would become the dominating power.

Mr. Butler said that the policy of the Bank of England was controlled from Wall street. Since the advent of Mr. Montagu Norman to the control of the Bank of England, the centre of financial interest had shifted from London to America, where this band of financiers was working against the interests of the English nation.

He traced the path of international finances from the end of the last war to the present day. "Three years after the last war," he said, "the dead hand of financial control had smashed the greatest industrial machine ever known—England's. It is the same hand that has brought us into the situation of to-day. In 1923 England was in the doldrums, and in 1929 the depression was launched. This was part of a deliberate programme to smash parts of the British Empire." He quoted Mr. Walter McFadden, president of the U.S. Bankers' Association: "This (the depression) was no accident. It was a carefully controlled movement to produce a state of despair in the people."

Quoting further responsible persons, Mr. Butler gave this statement by the financial editor of the London "News-Chronicle": "The main object of this war is to make the world safe for the gold standard."

"CAUSED FALL OF FRANCE"

Planning of the international group of financiers enabled Hitler and Mussolini to build their nations' strength. It was their treachery which caused the fall of France. "It is now well known that the first attack on the Siegfried Line by the French failed because they ran short of ammunition; while three days after the Germans started their advance on Paris. General Weygand announced that the French troops had insufficient supplies of munitions," said Mr. Butler. "The armistice with Germany was arranged by M. Badouin, a millionaire banker, who is connected with Wall street and with the banking groups throughout the world."

"The financiers have used Hitler and Mussolini for their own ends. They hope that the Dictators will aim a successful death-blow at England. I then foresee the attack and destruction of the Western Dictators by Russia. This seems inevitable," he said.

Mr. Butler said that he failed completely to understand how Japan could

have any basis for its strong request to the British Government to prevent the transport of arms and ammunition to China. "How is it," he asked, "that in this hour when England will need every particle of ammunition, exports of ammunition should be allowed to China? What interest have we in China? The answer is that the financiers are looking to the protection of their investments."

Turning to Australia, the speaker declared that the maximum war effort was far from reached yet. He advocated the decentralised system of manufacture. It had been proved in America that decentralisation was a most effective form of manufacture. Component parts sent to small factories and workshops spread over the whole country could be efficiently assembled, and without creating a vast concentration of men and workshops, nicely placed for a well-aimed bomb. "But finance-controlled monopolies will not allow the Government to implement schemes for decentralisation."

"CAN CREATE MONEY"

"We have backing for only 1 per cent of the money we use. The other 99 per cent. is merely figures in the banks' books, which cost them no more than the pen and ink used to write them."

"The Government can create as much money as it wants. For a million pounds which they can create for nothing the banks would demand annual interest of £30,000 for years to come. As long as we have the raw materials, the man power, and the machinery, the money can be provided."

"To fight a war with privately created money is to fight two enemies, one within and one without."

"British engineers and fighting forces are equal to any in the world, and to say that with this backing, the British Empire cannot make a better showing, is an insult."

A vote of thanks to Mr. Butler was moved by Ald. C. Nolan, who said that though he did not agree with everything Mr. Butler had said, he was sure that all who had attended the meeting had learned something of interest. Mr. F. Becker supported Ald. Nolan.

"THE WAY TO A GREATER WAR EFFORT"

Friday July 2
Riverina Herald
Address By Mr Eric Butler
1947

The Empire war effort was only a fraction of what it could be if the Federal Government took over the powers of the private financiers and made credit available to every small enterprise that could assist in war production, said Mr Eric Butler, of the United Electors of Australia, who addressed a meeting of about 100 Echuca citizens in the town hall last night.

The speaker was introduced by the chairman (Cr G. C. Ogilvie).

The meeting carried the following resolution with one dissentient. It was moved by Mr F. Casey, and seconded by Cr A. S. Roberts:

"That this meeting of loyal citizens of Echuca requests Major-General G. J. Rankin, M.H.R., to urge the Federal Government to take immediate control of the creation of money for financing the war in order that a maximum war effort might be achieved without further debt or taxation. Apart from the fact that the Constitution states that the Federal Government should control all finance, the Royal Commission on Banking has clearly stated that the Commonwealth Bank as the central bank of Australia can be utilised by the Government without saddling the community with debt and resulting taxation."

In opening, Mr Butler said he was not there to force his opinions down anyone's throat, but to state certain facts from which people with common-sense could only draw certain con-

clusions. He was going to show how, by a change of financial policy, the war effort could be vastly increased without peace bringing its aftermath of depression. Anyone who disagreed with the obvious conclusions he would draw, was failing in their public duty if they did not attend his meetings and show how he was wrong.

"I agree," said the speaker, "that Hitlerism must be removed. I believe that the only way to do this is by the use of arms; but that is not enough. What were the causes responsible for Hitlerism? At the cost of millions of lives can we be sure that we are not defending those groups that made Hitler possible with financial help."

He then quoted Abraham Lincoln who, he said, had declared "I have two great enemies, the Southern armies and the financial institutions in my rear. Of these two enemies, that in the rear is my greatest foe."

Lincoln saw, he said, that he must take control of finance, with the result that the American Civil War finished successfully, and he did not pawn his people to the financiers.

The last war, he said, was a war directed against the British people by financial groups striving at world

were pursuing two policies: To crush Britain while at the same time building up Russia, Germany and Italy. The Allied forces won the last war in the military sense only. This fact had resulted in a war against democracy all over the world, which had led to the sabotage and collapse of France. The British Empire stood as the last bulwark against tyranny.

"I do not advocate a change of the present system," said the speaker, "I am the most violent opponent of Communism in this country. Communism and finance are both leading to inter-

national control."

But suppression of Communists had paved the way for revolution everywhere.

The speaker said that the banking system was very efficient and that banking staffs merely carried out a policy for which they were not responsible. Financial policy was directed from outside the country. As a result of the last war international finance in every part of the world had been able to direct financial policy. The point the United Electors made was to restore control of that policy back to the Australian people in order that we could win the war without being put into pawn in the process.

Mr Butler concluded by reading clauses of the report of the Royal Commission on Banking which, he claimed, gave power to take control of the private banks, issue credit, and increase the war effort of the country in an entirely constitutional way.

The Riverina Herald of July 12, 1940, reports Eric Butler's call for a greater war effort.

THE CASE FOR REFORM OF THE MONETARY SYSTEM

—:01—

Brilliant Address by Mr. Eric Butler

"THE FIGHT AGAINST THE ENEMY IN THE REAR."

Is No Shortage of Real Wealth, Says Speaker.

In a brilliant address which lasted for more than two hours, before an audience which filled the supper room of the town hall on Tuesday night, Mr. Eric D. Butler, a young orator and writer, trenchantly criticised our present monetary system, which, he declared, was crippling the country, causing poverty and chaos, and preventing a maximum war effort. To say that the people would have to make sacrifices, other than the loss of life, to win this war, declared Mr. Butler, was nonsense, for we had unlimited real wealth and resources. Mr. Butler, who said that he represented no political party—in fact, he was violently opposed to party politics—made it clear that he was in no way criticising the administration of the banks, which was practically perfect, but was speaking against the financial policy under which the banks operated. The interest taken in this subject was shown by the wide representation in the audience, including many country residents, some from Minyip. Mr. Peter McIntyre presided.

OUR ONLY PROBLEM IS FINANCE.

Introducing the speaker, the chairman said that it was pleasing to see the representative attendance, and he

greater foe.

"To-day," continued the speaker, "we are fighting Hitlerism in front and an out-of-date financial system in the rear."

Introduction to three column report which appeared in The Warracknabeal Herald, Victoria, of August 23, 1940.



(West Australian Newspapers)

Australia's Second World War Labor Prime Minister, Mr John Curtin, who had expressed support for Social Credit financial concepts.



Dr H.V. Evatt, Australia's Second World War Attorney General, who professed support for Social Credit in an endeavour to prevent Social Crediters from opposing his proposed subversion of the Federal Constitution.

Campaigning in Northern Victoria and the Riverina

M.H.R. OUTSPOKEN

Meetings have been addressed by John Hogan at the following centres: Bendigo, Swan Hill, Kerang, Cohuna, Mathoura and Deniliquin.

The meeting at Swan Hill was particularly successful, and, like the Kerang meeting, was also addressed by Mr. Alex Wilson, M.H.R., for Wimmera.

Mr. Wilson outlined many aspects of the present position of Australia, and pointed out from his personal knowledge and the communications sent to him from farmers, factories and business people throughout the country, how seriously inadequate and inefficient our present efforts are to the desperate need of the nation, and how the enthusiasm and loyalty of the people is being needlessly dampened and frustrated.

He concluded by appealing to his electors to realise how impotent Parliament was to deal with any

serious problem or pressing need for great action unless backed by organised and awakened public opinion. "You must make it clear that you are determined to get Results," he said. "You must stick steadfastly to the Results you want, and bring the utmost pressure to bear on the Government, giving me the utmost support in my own endeavours. Without that I am powerless, and many Members will not even try to act. This is a Democracy for which we are fighting, but there is no Democracy without public opinion."

Mr. Wilson stressed the tragic limitations imposed by orthodox financial policy, and declared that this was the key to the whole situation, and the secret of the Government's tardiness. It was wrong that money should limit our prosperity and progress and development in time of peace, but fatal in time of war. Now was the time to make permanent changes both to win the war and win the peace. Money, as Mr. Spender himself had said, was only a mechanism for getting things done, and, Mr. Wilson added, it must no longer prevent us from getting things done.

The above report appeared on page 4 of The New Times of August 16, 1940. Independent Country Party Member Alex Wilson, a strong supporter of the grass-roots monetary reform movement backed by The New Times.

"EXEMEX"

**Clears up Obstinate
Skin Troubles.**

Obtainable only from

**RICHARD E.
BROTCHIE,**

45 Brunswick St.,
Eastern Hill, N.S.

'Phone: J 1873.

THE NEW TIMES

"CATARRHES"

Clears Up Catarrh.

**A. Nasal.
B. Pulmonary,
C. Stomachic.**

Obtainable only from

**RICHARD E.
BROTCHIE,**

45 Brunswick Street,
Eastern Hill, N.S.

'Phone: J 1873

Vol. 6. No. 26.

Registered at the G.P.O., Melbourne, for
Transmission by Post as a Newspaper

MELBOURNE

FRIDAY, JUNE 28. 1940.

Every Friday. 3d

War Effort

NOTED BUSINESS JOURNAL OUTSPOKEN

What lies behind our war-time Government's smoke-screen of brave words and "red tape"? We have given a fair indication of the answer to that question in recent issues of this journal. We are not altogether alone in ventilating some of the relevant facts and drawing obvious conclusions. The current issue of "Rydge's Business Journal," while making some concessions to the prevalent mania for imitating the totalitarian methods of Hitler's Germany, also has the following to say in one of two signed editorials:

To-day, can anyone imagine an unemployed man in Germany? Yet, what is the position in Australia? Despite the fact that we are in the throes of the greatest crisis in world history, there are thousands of unemployed throughout the Commonwealth. As

ment. Men can only secure employment if it is profitable for private industry to pay their wages. These financial symbols, £s.d., to-day are being restricted and they hamper our maximum war effort. The urgency of the situation demands that everybody

Hampered

S.A. PREMIER DODGES VITAL ISSUE

The powers of evasion possessed by the average politician are wonderful to behold. Presumably, a Premier is even better equipped—or so it would seem, judging by recent correspondence between South Australian citizen and the Premier of South Australia (Mr. Playford). The correspondence, which we reproduce hereunder, speaks for itself. We hope Mr. Playford's electorate will do likewise.

31 North Terrace,
Kent Town.
May 2, 1940.

The Hon. T. Playford,
Gorton Summit.

expansion of production." I find some difficulty in appreciating the meaning of this. Not any one, so far as I have been able to ascertain, has ever sug-

Mr Phillip Adams charges that The New Times was opposing the war effort during the darkest days of The Second World War. The above is an example of what The New Times was really saying.